

Upon the recommendation of President Eisenhower the Congress in 1954 and again in 1955 appropriated \$5 million to send our leading orchestras, plays, performing artists, and athletes abroad. This fund, known as the President's Emergency Fund for Participation in International Affairs, also covers trade fairs, and in both these fields the Communist bloc is spending enormous sums and devoting much effort—\$38 million for trade fairs alone last year.

The bipartisan interest of Congress in the fine arts does not arise because the Communist leaders charge us before the world with being cultureless materialists. The interest is broader and deeper than that, and members of both parties are sponsors of legislative proposals of great importance to the arts and our cultural status as a nation.

THE PRESIDENT URGED CONGRESS TO ENACT ART LEGISLATION

You will recall that the President in his 1955 message on the state of the Union told the Congress that "in the advancement of the various activities which will make our civilization endure and flourish, the Federal Government should do more to give official recognition to the importance of the arts and other cultural activities. I shall recommend the establishment of a Federal Advisory Commission on the Arts within the Department of Health, Education, and Welfare, to advise the Federal Government on ways to encourage artistic and cultural endeavor and appreciation."

This statement has had a terrific impact throughout our country in cultural circles. It is a great statement on the arts regardless of the fact that the President as an amateur artist is about on a par with former President Truman as a musician.

With this foreword, I would like to talk briefly about a very ambitious project which is underway in the Nation's Capital, one for which I solicit the active and enthusiastic support of every member of your council.

SMITHSONIAN GALLERY OF ART LONG OVERDUE

This project, authorized by Public Law 128, 84th Congress, calls for the formulation of plans for the construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents, and a music, fine arts, and mass communications center. As I testified at the hearings on this legislation last year, the fine arts section of my H. R. 21, which some 15 of my colleagues from both parties joined me in sponsoring, referred to the Smithsonian Gallery of Art authorized by the Congress in 1938 to house the \$10 million National Collection of Fine Arts.

TEN MILLION DOLLAR NATIONAL COLLECTION BADLY HOUSED

In its 1953 report to President Eisenhower on art and Government the Commission of Fine Arts headed by David E. Finley strongly recommended the early establishment of this gallery. And Dr. Carmichael, brilliant secretary of the Smithsonian Institution, advises me that this great gallery has the very highest priority, ranking besides the air museum and the Museum of History and Technology.

With some help from an administration which clearly is aware of the value of the fine arts, and with hard-hitting support of community-action groups such as yours, the music and fine arts center could soon become a reality.

COURT OF CLAIMS BUILDING URGED AS MUNICIPAL ART GALLERY

In this connection I would like to suggest that the Court of Claims Building at 17th Street and Pennsylvania Avenue, NW., near the White House, Lafayette Park, the old State Department Building, and adjacent to the Blair House, be used either as a temporary home for the national collection or as a municipal gallery. The Court of Claims Building was the original Corcoran Gallery of Art—as the Washington Star told us recently in a moving article entitled "Few Can Spare a Tear for Venerable Landmark."

This old gallery, its contents, the ground, and the endowment were valued at \$1,600,000 in 1869 when William W. Corcoran gave them all to Washington. New York City got its great civic center almost free because of tax delinquency. The residents of the Nation's Capital have a similar unique once-in-a-lifetime opportunity to obtain a great art center—and one intimately connected with the early life of Washington—almost without cost. I hope they will have the courage and the vision to seize this opportunity in the same way that any other community would.

FEDERAL CITY COUNCIL COMPARABLE TO ALLEGHENY CONFERENCE

I would like to urge you to make the establishment of the proposed civic and cultural center a council project along with those other important civic undertakings in which you are engaged.

Individually, many of your distinguished members are already making great contributions to Washington's cultural renaissance. You now have the opportunity to support such important cultural projects as the proposed stadium and the civic and cultural center, and to take the same vital part in the reawakening of Washington as the Allegheny Conference is taking in the growth of Pittsburgh.

Remembering Plato's classic dictum that "what is honored in a country is cultivated there," you can and you must, I think, demonstrate to freemen everywhere that nowhere else in the world are learning and the fine arts more highly honored than in the Capital of the free world. Let us work together, then, to complete the task so ably begun by our Founding Fathers.

This spring meeting, with its distinguished representation from the legislative, administrative, and civic elements of our city is ample proof that you are ready to accept this basic challenge. Working together we can bring the unique heritage of the Federal city as a center of art and learning to triumphant realization.

SENATE

TUESDAY, MAY 29, 1956

(Legislative day of Thursday, May 24, 1956)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

Rev. Holland Hale, pastor, Calvary-Victory Methodist Churches, Fayetteville, N. C., offered the following prayer:

Almighty and everlasting God, who dost govern all things in both heaven and earth, we invoke Thy blessing upon these who are our leaders. May we all be duly impressed with the dignity and necessity of the work of our Government. We pray Thy protection upon those whose service demands devotion. Let Thy mercy be ever upon them. Give us understanding of our fellow men. Give patience to walk with unity with each other. Bind us together with cords of sympathy and friendliness, and give us the vision of our common duty, making us glad and strong in doing it. By the memories of our Nation's glorious past, make us alert to the call of the present, that, inspired by the spirit of wisdom, courage, and patience, we may respond with signal devotion to its just claim upon us.

In the name of our Lord and Saviour we pray. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 28, 1956, was dispensed with.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Permanent Subcommittee on Investigations of the Committee on Government Operations and the Internal Security Subcommittee of the Committee on the Judiciary were authorized to meet during the session of the Senate today.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, and take up nominations on the Executive Calendar under the heading "New Reports."

The motion was agreed to; and the Senate proceeded to consider executive business.

The PRESIDENT pro tempore. If there be no reports of committees, the clerk will state the nominations on the Executive Calendar under "New Reports."

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Ellis O. Briggs to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of J. Graham Parsons to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Laos.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Theodore C. Achilles to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Peru.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Walter C. Dowling to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Korea.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

ADMINISTRATOR OF CIVIL AERONAUTICS

The Chief Clerk read the nomination of Charles J. Lowen, Jr., to be Administrator of Civil Aeronautics.

Mr. JOHNSON of Texas. Mr. President, I ask that that nomination go over.

The PRESIDENT pro tempore. The nomination will be passed over.

FEDERAL MARITIME BOARD—NOMINATION OF CLARENCE G. MORSE, OF CALIFORNIA

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. I wonder if the distinguished Senator could give some indication as to when the nomination of Clarence G. Morse to the Federal Maritime Board may be called up. We had some colloquy some time ago about the nomination. I have discussed the matter with the Senator from Washington [Mr. MAGNUSON]. I understood that the situation in which he was interested had been clarified. I wish the Senator from Texas would look into the matter, so we may know when the nomination will be considered. It has been pending on the calendar since April 25.

Mr. JOHNSON of Texas. The Senator from Texas asked one of the attachés this morning about the nomination. He was notified, although his informant may be in error, that the Senator from Washington [Mr. MAGNUSON] had written Mr. Morse asking certain specific questions, and was awaiting a reply to them.

Mr. KNOWLAND. I understood he had been in touch with him and had received a reply.

Mr. JOHNSON of Texas. I shall get in touch with the Senator from Washington. The Senator from Texas has no interest in holding the nomination up. I had assumed that if the Senator from Washington were ready, he would be willing to have the nomination taken up.

Mr. KNOWLAND. I had understood one of those interested was out of town, but that is no longer the situation.

Mr. JOHNSON of Texas. I shall be glad to look into the matter and report to the Senator.

Mr. KNOWLAND. I thank the Senator.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified immediately of the nominations today confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

ORDER FOR TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there may be the usual morning hour for the presentation of petitions and memorials, the introduction of bills, and the transaction of other routine business, subject to a 2-minute limitation on statements.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PROPOSED CONCESSION PERMIT, EVERGLADES NATIONAL PARK, FLA.

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed concession permit in Everglades National Park, Fla. (with an accompanying paper); to the Committee on Interior and Insular Affairs.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest; and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A telegram, in the nature of a petition, signed by J. H. Goding, mayor of the city of Ketchikan, Alaska, relating to the inclusion of Alaska in the national highway bill; ordered to lie on the table.

By Mr. SALTONSTALL (for himself and Mr. KENNEDY):

Resolutions of the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Post Office and Civil Service:

"Resolution memorializing the Postmaster General of the United States protesting the discontinuance of postage stamps bearing the portraits of John Adams and John Quincy Adams and urging the restoration thereof

"Whereas the Post Office Department of the United States has discontinued the use on United States postage stamps of the portraits of John Adams and his son, John Quincy Adams, the second and sixth Presidents of the United States, and distinguished citizens of the Commonwealth of Massachusetts; and

"Whereas it is unthinkable that this great Nation should banish from the face of its stamps the man who carried the fight for the Declaration of Independence through the Continental Congress, nominated Washington as Commander in Chief, and appointed John Marshall Chief Justice of the United States, and it is equally unthinkable

able that it should banish his brilliant son, who, beginning his diplomatic career at the age of 17, served his country with unequalled integrity as Secretary of State, President and as Congressman dying at his post defending the rights of the least of his fellow citizens to be heard: Therefore be it

"Resolved, That the Massachusetts House of Representatives urges the Postmaster General of the United States to take immediate action to restore the portraits of John Adams and John Quincy Adams to their appropriate and rightful places upon the 2-cent and 6-cent postage stamps; and be it further

"Resolved, That copies of these resolutions be sent forthwith by the secretary of the Commonwealth to the President of the United States, to the Postmaster General, to the presiding officer of each branch of Congress, and to each of the Members thereof from this Commonwealth."

THE HEIFER SLAUGHTER INCENTIVE PROGRAM—RESOLUTION

Mr. NEUBERGER. Mr. President: I have received a resolution from the Vale Grange of Vale, Oreg., which is entitled, "The Heifer Slaughter Incentive Program." I have had letters from many Oregon cattlemen expressing interest in such a program. I ask unanimous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

THE HEIFER SLAUGHTER INCENTIVE PROGRAM

1. OBJECTIVES

1. An orderly reduction in beef cattle numbers and production.

2. Stabilization and possible improvement in beef and cattle prices.

Whereas the beef cattle industry is being endangered by increasing supplies of beef in spite of record per capita beef consumption; and

Whereas diverted acres from supported crops has become an important factor in increasing the already surplus of beef on the market; and

Whereas the proposed soil bank has implication of further increasing the supply of beef; and

Whereas beef supplies are directly related to the number of producing females; and

Whereas it is important to the livestock industry that high quality beef be supplied to the consuming public; and

Whereas cattle numbers on farms in the United States on January 1, 1956, reached an all time peak of 97.5 million head; and

Whereas this increase in cattle numbers is a continuation of a long term upward trend: Therefore be it

Resolved, That Vale Grange No. 696, assembled in regular session at Vale, Oreg., on May 18, 1956, proposes that the United States Department of Agriculture put into effect the following program:

2. THE PLAN

1. The plan would go into operation whenever cattle prices average less than 80 percent of parity based on the modern parity formula. The incentive payments should be discontinued whenever prices reach 90 percent of parity. (Prices averaged 68 percent of parity March 15, 1956.)

2. Incentive payments should be paid on a graduated basis with a relatively large payment for lightweight heifer calves and a smaller payment on heavier calves; \$30 per head on 200-pound calves and graduated down to \$15 on 500-pound calves is suggested, with no payment below 200 or over 500 pounds.

3. Only producers who voluntarily complied with the program by selling for slaughter 50 to 100 percent of their entire heler calf crop would be eligible for the incentive payment. This provision is intended to discourage the marketing of only cull calves just to get the incentive payment.

As prices for beef cattle are currently at 68 percent of parity (\$14.40 per hundredweight) the plan would go into operation immediately and would be discontinued when prices reached 90 percent of parity: (\$19.20 per hundredweight under present farm cost conditions.)

A 200-pound calf at market price of \$17 per hundred would receive an additional \$15 per hundred for a total price of \$64 per head to the producer, which would be 88.2 percent increase over market price. A 500-pound calf would bring 17.6 percent increase over market price.

ALLAN F. WESTCOTT,
FANNOE YRAGUEN,
J. B. WOODCOCK,
Resolution Committee.

SIZE AND WEIGHT OF PARCEL POST MAIL MATTER—RESOLUTION

Mrs. SMITH of Maine. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by 350 members of the Songo Shoe Manufacturing Corp., of Portland, Maine, favoring the enactment of the bill (S. 3635) to readjust size and weight limitations on fourth-class-parcel post-mail.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION IN SUPPORT OF S. 3635

Whereas the existence of an efficient, economical parcel post system is essential to the pattern of life of our citizens and businesses in both rural and urban areas; and

Whereas the present discriminatory parcel post size and weight limitations seriously disrupt the service once enjoyed by all at great and unnecessary cost and inconvenience; and

Whereas there is no nationwide substitute for parcel post that can and will serve all citizens regardless of address; and

Whereas the present size and weight limitations have been both a financial and an administrative burden to the Post Office Department: Be it hereby

Resolved, That the Songo Shoe Manufacturing Corp., comprised of 350 members in Portland, Maine, favors immediate enactment of S. 3635 and restoration thereby of uniform parcel post size and weight limits.

FIFTIETH ANNIVERSARY OF FEDERAL FOOD AND DRUG ACTS—PROCLAMATION

Mr. MUNDT. Mr. President, June 30 marks the 50th anniversary of the signing by President Theodore Roosevelt of the first Federal Food and Drug Acts passed by an American Congress.

In commemoration of this important event, our secretary of agriculture in South Dakota, the distinguished and able Charles Bruett, has sent me an official proclamation issued by South Dakota's great Governor, Joe Foss, urging the people of my State to engage in appropriate commemorative activities fostering public recognition of this milestone in the protection of all Americans against practices prevailing before the

passage of the Food and Drug Acts. I trust other Governors will associate themselves with this constructive program.

I ask unanimous consent that the proclamation may be printed in the RECORD.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

Whereas June 30, 1956, will mark the 50th anniversary of the signing by President Theodore Roosevelt of the first Federal Food and Drug Acts, amended and reenacted in 1938 as the Federal Food, Drug and Cosmetic Act, and the Federal Meat Inspection Act; and

Whereas 1956 will also mark the 60th annual convention of the organization today known as the Association of Food and Drug Officials of the United States; and

Whereas the purity, integrity, and abundance of our food, drug and cosmetic supplies are unexcelled in the world today and stand as a tribute to the industries producing them; and

Whereas the maintenance and protection of the purity and integrity of our food, drug and cosmetic supplies are essential elements of our national strength, safety and economic welfare; and

Whereas for this protection we are indebted to Dr. Harvey W. Wiley, who as crusader for the first Federal legislation, became known as the father of the pure food and drug law; to the distinguished and dedicated public servants at all levels of Government who have supported the enactment and improvement of these laws and have cooperated in their enforcement.

Now, therefore, I, Joe Foss, Governor of the State of South Dakota, do hereby proclaim the week of June 24-July 1, 1956, to be Food and Drug Law Golden Anniversary Week, and I request the appropriate officials of the State of South Dakota and all citizens of South Dakota to cooperate in the observance of that week.

I also urge all industrial, business, professional, labor, and agricultural, education and civic groups, and the people of South Dakota generally, to observe 1956, as an anniversary year with gatherings, discussions, exhibits, and other appropriate commemorative activities to foster public recognition of the benefits derived from Federal, State, and local food, drug and cosmetic laws.

In witness whereof, I have hereunto set my hand and caused the great seal of the State of South Dakota to be affixed this 1st day of May 1956.

JOE FOSS, Governor.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURRAY, from the Committee on Labor and Public Welfare, without amendment:

S. 1614. A bill to amend the act entitled "An act to fix a reasonable definition and standard of identity of certain dry milk solids," title 21, United States Code, section 321c (Rept. No. 2064).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, without amendment:

S. 1873. A bill to increase the minimum postal savings deposit, and for other purposes (Rept. No. 2065); and

H. R. 4569. A bill to provide for renewal of and adjustment of compensation under contracts for carrying mail on water routes (Rept. No. 2066).

By Mr. HILL, from the Committee on Labor and Public Welfare, without amendment:

S. 3620. A bill to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies (Rept. No. 2069);

S. 3907. A bill to amend section 345 of the Public Health Service Act (Rept. No. 2068);

S. 3958. A bill to improve the health of the people by assisting in increasing the number of adequately trained professional and practical nurses and professional public health personnel, assisting in the development of improved methods of care and treatment in the field of mental health, and for other purposes (Rept. No. 2070); and

H. R. 2840. A bill to promote the further development of public library service in rural areas (Rept. No. 2067).

By Mr. HILL, from the Committee on Labor and Public Welfare, with amendments:

S. 3430. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine (Rept. No. 2071).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DIRKSEN:

S. 3949. A bill to promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine to be located in Chicago, Ill.; to the Committee on Labor and Public Welfare.

By Mr. DIRKSEN (by request):

S. 3950. A bill for the relief of Josephine Suydam; to the Committee on the Judiciary.

By Mr. ELLENDER (by request):

S. 3951. A bill to amend the Soil Conservation and Domestic Allotment Act and the Agricultural Adjustment Act of 1938 to provide for a Great Plains conservation program; and

S. 3952. A bill to regulate the movement from foreign countries into or through the United States, and the interstate movement, of plant pests, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. MARTIN of Pennsylvania (by request):

S. 3953. A bill to amend certain provisions of the Tariff Act of 1930 relative to import duties on wool; to the Committee on Finance.

By Mr. KNOWLAND:

S. 3954. A bill for the relief of Bhan Singh; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 3955. A bill to authorize research by the Fish and Wildlife Service to determine methods of, and to provide for grants to the States to assist approved research or other projects for, control or extermination of sea nettles and jellyfish in marine waters of the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. SMITH of New Jersey:

S. 3956. A bill to amend the Fair Labor Standards Act of 1938, as amended; to the Committee on Labor and Public Welfare.

By Mr. DWORSHAK:

S. 3957. A bill to amend the act authorizing the exchange and amendment of certain farm units in order to limit the time during which applications may be made under such act; to the Committee on Interior and Insular Affairs.

By Mr. HILL (for himself, Mr. SMITH of New Jersey, Mr. MURRAY, Mr. IVES, Mr. NEELY, Mr. PURTELL, Mr. LEHMAN, Mr. KENNEDY, Mr. BENDER, Mr. McNAMARA, and Mr. ALLOTT):

S. 3958. A bill to improve the health of the people by assisting in increasing the number

of adequately trained professional and practical nurses and professional public health personnel, assisting in the development of improved methods of care and treatment in the field of mental health, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. BENDER:

S. 3959. A bill for the relief of Catalino Properties, Inc.; to the Committee on the Judiciary.

S. 3960. A bill to amend section 4232 (b) of the Internal Revenue Code of 1954 to provide that certain places where no instrumental music is provided shall not be treated as cabarets; to the Committee on Finance.

By Mr. HUMPHREY:

S. 3961. A bill to provide for the establishment of additional animal disease laboratory facilities at or near the University of Minnesota; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. HUMPHREY when he introduced the above bill, which appear under a separate heading.)

By Mr. HUMPHREY (for himself, Mr.

MANSFIELD, and Mr. SPARKMAN):

S. 3962. A bill to amend the Communications Act of 1934 with respect to the use of broadcasting stations by presidential, vice presidential, and congressional candidates; to the Committee on Interstate and Foreign Commerce.

ANIMAL DISEASE LABORATORY FACILITIES

Mr. HUMPHREY. Mr. President, I introduce for appropriate reference a bill to provide for the establishment of additional animal disease laboratory facilities.

At the time the agricultural appropriation bill was before the Senate, I announced my intention to introduce this bill to conform to the expressed wishes of the Appropriation Committee.

In disallowing requested funds in the budget for this facility, the committee reported to the Senate that it preferred to have the project reviewed by the Senate Committee on Agriculture and Forestry and a specific authorization provided designating the site of the facility at some location other than Beltsville, Md.

In my opinion, no better location could be found than in Minnesota, out in the heartland of the upper Midwest which contributes so much of our livestock. The bill I have introduced calls for the location of the laboratory in Minnesota.

I hope speedy action can be provided by the Senate Committee on Agriculture and Forestry, so that funds for this building can be included in the next budget, or possibly even in a supplemental appropriation yet this year.

In support of this facility, I ask unanimous consent to have printed at the conclusion of my remarks, a copy of the budget justification for this project originally presented by the Agricultural Research Service of the Department of Agriculture to our Appropriations Committee.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the justification will be printed in the RECORD.

The bill (S. 3961) to provide for the establishment of additional animal disease laboratory facilities at or near the University of Minnesota, introduced by

Mr. HUMPHREY, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The justification presented by Mr. HUMPHREY is as follows:

JUSTIFICATION

New facilities are urgently needed for the animal disease research and control programs.

In June 1955 three widely known research workers from outside the Department were asked to inspect animal disease research and control facilities located at Washington, D. C., Beltsville, Md., Auburn, Ala., and Denver, Colo., to determine whether (1) the facilities and procedures were adequate for proper safeguarding of working personnel from the hazards of infection; (2) safeguards were sufficient to protect workers in other parts of the building and the public utilizing the corridors; and (3) facilities were adequate to protect experiments from cross-contamination. Many of the diseases under study at these points were transmissible to man, including tuberculosis, brucellosis, anthrax, erysipelas, rabies, equine encephalomyelitis, Newcastle disease, and others.

The committee reported that facilities in use were not adequate to safeguard workers and other persons in the buildings from exposure to disease or the experimental work from cross-contamination. Moreover, the committee reported that in most cases basic building structures were not adaptable to the modifications which would be necessary to provide modern safety measures, and also that they were inadequate for the fundamental disease research program underway. Following this report it was necessary to discontinue all research in Washington, D. C., and all that portion at Auburn, Ala., and Denver, Colo., on animal diseases infectious for man. This has resulted in curtailment of much important work and the suspension of other lines of research because of a lack of suitable space. Overcrowded quarters at Beltsville have been temporarily made available for certain of the work discontinued at other points. Provision for adequate laboratory facilities is essential not only to the conduct of a comprehensive animal disease research program but also to animal disease control programs.

The new facilities would provide space for comprehensive research on animal diseases and for diagnostic and testing work for control and regulatory activities. These facilities have been designed for experimental work with safety to the livestock industry and the health of workers.

Investigations would cover methods for diagnosis, cause, mode of transmission, and methods of prevention, treatment, and control of infectious diseases of all classes of livestock, including poultry, which exist in this country. Bacteriological, serological, pathological, immunological, and animal inoculation studies would be made. Research would cover diseases caused by bacteria, fungi, viruses, rickettsia, and pathological conditions.

Diagnosis of diseases would be made as they are encountered in animal disease control and eradication work in the field and in meatpacking plants. Tests would be made of animal biologics produced commercially to determine their purity and potency as required under the Virus-Serum-Toxin Act. The laboratory would contain facilities for pilot plant development of production methods for biologics and diagnostic agents based on research findings. Chemical analyses and bacteriological examinations would be made of dips and disinfectants to determine their efficacy and reliability for use in control and eradication programs, and of germicides to determine conformity with the Insecticide, Fungicide and Rodenticide Act.

FEDERAL-AID HIGHWAY ACT OF 1956—AMENDMENTS

Mr. CURTIS submitted an amendment, intended to be proposed by him to the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes, which was ordered to lie on the table and to be printed.

Mr. SMATHERS submitted an amendment, intended to be proposed by him, to House bill 10660, supra, which was ordered to lie on the table and to be printed.

Mr. MAGNUSON. Mr. President, I submit an amendment, intended to be proposed by me to House bill 10660, the pending Federal-Aid Highway Act.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

Mr. MAGNUSON. On Friday, May 25, I submitted an amendment to H. R. 10660, to provide in effect for a refund of the fuel tax increases of 1 cent a gallon on gasoline and diesel fuel, and for a similar refund of the 3 cents a pound increase in the tire tax and the 3 cents a pound tread rubber tax, to the extent that highway vehicles are used on any road, thoroughfare, or property in private ownership.

When I submitted the amendment on Friday, it was designed to amend the House-passed version of H. R. 10660. At that time the bill was still before the Senate Finance Committee and had not been reported.

EXPANSION OF TEACHING AND RESEARCH IN EDUCATION OF MENTALLY RETARDED CHILDREN—ADDITIONAL COSPONSORS OF BILL

On request of Mr. GORE, and by unanimous consent, the names of Mr. WILEY and Mr. ALLOTT were added as additional cosponsors of the bill (S. 3620) to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies, introduced by the Senator from Alabama [Mr. HILL] (for himself and other Senators) on April 12, 1956, and which was reported today.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. LEHMAN:

Address delivered by him on receiving Philip Murray award of the NAACP at Waldorf-Astoria Hotel, New York, N. Y., May 17, 1956.

By Mr. DOUGLAS:

Statement by him on importance of work of United States Information Agency.

NOTICE OF HEARING ON NOMINATION OF FREDERICK VAN PELT BRYAN TO BE UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF NEW YORK

Mr. EASTLAND. Mr. President, on behalf of a subcommittee of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, June 5, 1956, at 10:30 a. m., in room 424, Senate office building, on the nomination of Frederick Van Pelt Bryan, of New York, to be United States district judge for the southern district of New York, vice William Bondy, retired.

At the indicated time and place all persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Arkansas [Mr. McCLELLAN], the Senator from Indiana [Mr. JENNER], and myself, chairman.

NOTICE OF HEARINGS ON H. R. 2383 AND S. 2157, INVENTORS AWARDS BILLS

Mr. O'MAHONEY. Mr. President, on behalf of the standing Subcommittee on Patents, Trademarks, and Copyrights of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Thursday, June 7, 1956, at 10:30 a. m., in room 424 Senate office building, on H. R. 2383, to authorize the National Inventors Council to make awards for inventive contribution relating to the national defense, and S. 2157, to authorize the establishment of an inventive contributions awards board within the Department of Defense, and for other purposes. At the indicated time and place all persons interested in the proposed legislation may make such representations as may be pertinent. The subcommittee consists of the Senator from South Carolina [Mr. JOHNSTON]; the Senator from Wisconsin [Mr. WILEY], and myself, chairman.

NOTICE OF HEARING ON S. 3897, TO IMPROVE GOVERNMENTAL BUDGETING AND ACCOUNTING METHODS AND PROCEDURES, AND FOR OTHER PURPOSES

Mr. KENNEDY. Mr. President, on behalf of the Subcommittee on Reorganization of the Committee on Government Operations, of which I have the privilege of serving as chairman, I desire to announce that a public hearing has been scheduled to begin next Monday, June 4, 1956, at 10 a. m., in room 457, Senate Office Building, on S. 3897, relating to the Government's accounting, budgeting and appropriations processes, and which is sponsored by 32 Members of this body. The Director of the Bureau of the Budget, the Comptroller General of the United States, the Comptroller of the Department of Defense, and representatives of other major Government departments, will present testimony to the subcommittee upon this important legislation which provides that budget requests shall be made on a cost basis, that ac-

counts of the executive agencies shall be maintained on an accrual basis, and that appropriations shall be determined on an annual accrued expenditures basis. All Members of the Senate are cordially invited to join with members of the subcommittee in the hearings upon this bill, which directly implements the recommendations of the second Hoover Commission relating to budgeting and accounting, and which are expected to continue for several days, or to present testimony to the subcommittee if they desire to do so.

NOMINATION OF FORMER SENATOR FRED A. SEATON, OF NEBRASKA, TO BE SECRETARY OF THE INTERIOR

Mr. LANGER. Mr. President, I wish to take a moment to compliment the President of the United States for the very excellent appointment he made in naming Fred A. Seaton, of Nebraska, to be Secretary of the Interior. I consider Mr. Seaton to be one of the outstanding citizens of the United States, and a man exceptionally well qualified to be Secretary of the Interior. I think it is a recognition of the Middle West to have a man of the character, the ability, and the outstanding qualifications of Mr. Seaton made Secretary of the Interior. I compliment the President of the United States for making the appointment.

I wish Mr. Seaton well, and I hope his nomination will be speedily confirmed. In these remarks, I believe, I speak not only for the citizens of North Dakota, but of the entire Northwest, who know of the outstanding ability of Mr. Seaton.

Mr. CASE of South Dakota. Mr. President, I desire to express my heartiest commendations to President Eisenhower for his nomination of the Honorable Fred Seaton as Secretary of the Interior. The people of the United States are to be congratulated on the appointment, for it is their good fortune.

I first met Fred Seaton when he came to the Senate to fill out the term of the late Ken Wherry, of Nebraska. Our seats were close together. We often talked about the bills and other public matters that came before the Senate. I came to have the very highest regard for his ideals, his principles, and his personality.

Fred Seaton is a westerner of the mountains as well as of the broad prairies. He has perhaps been most frequently identified as a newspaper publisher of Kansas and Nebraska. He is also the publisher of the Lead Daily Call and the Deadwood Pioneer-Times, published in Lead, known as the mile-high city of the Black Hills in South Dakota, having acquired these newspapers in recent years.

Speaking as one whose State contains public lands, reclamation projects, national parks, Indian reservations, mines and mining, both metallic and nonmetallic, public power and transmission lines, vast interests in fish and wildlife and every other activity for which the Department of the Interior has responsibilities, I say wholeheartedly and en-

thusiastically that the President could not have made a better appointment.

Fred Seaton will conserve the national interests in our great national resources conscientiously, and foster their development with imagination, courage, and integrity.

Mr. HRUSKA. Mr. President, the nomination of Fred A. Seaton to be Secretary of the Interior brings great honor to the State of Nebraska. It is fitting that this selection be made from a State which has long been identified with the development and appreciation of the basic problems of the Department of the Interior.

It is fitting, also, that the appointment be of one who has so long and faithfully served as a member of Ike's team.

It was gratifying to note Mr. Seaton's immediate declaration expressing agreement with the Eisenhower-McKay basic power and water program.

Congress, particularly the Senate, of which Mr. Seaton was formerly a Member, can look forward with pleasure to working with Mr. Seaton.

Mr. CURTIS. Mr. President, the President has made his selection of a new Secretary of the Interior. While I worked for the appointment of Mr. Clarence A. Davis, because I believed him to be eminently qualified and because his appointment would have been in recognition of the outstanding service he had rendered to the President, nevertheless, Mr. Seaton has my congratulations. I am glad that a Nebraskan has been so honored, and I shall work with the new Secretary on all matters important to the Western States. Mr. Seaton is a long-time friend and associate of the President, and he is a man of ability.

STATEMENT BY SENATOR DOUGLAS RELATING TO THE JUSTICE DEPARTMENT APPROPRIATION BILL

Mr. DOUGLAS. Mr. President, last Friday the Senate passed the Justice Department appropriation bill. One item in the bill had to do with the amendment I offered last year to the interstate oil compact. I ask unanimous consent that a brief statement which I have prepared about that amendment and the Senate action on last Friday may be printed at this point in the RECORD, in order that the record may be clear.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DOUGLAS

Last year I offered an amendment in the Senate to the Interstate Oil Compact when it was before the Senate. Article V of the compact states:

"It is not the purpose of this compact to authorize the States joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations."

My amendment to the Interstate Oil Compact merely asked that the Justice Department make a study and annual report to the Congress as to whether or not the clear purpose of the compact, as stated by the compact

States themselves in article V was being carried out.

The reason for my amendment was simple. The Constitution of the United States says:

"No State shall, without the consent of Congress * * * enter into any agreement or compact with another State."

Therefore, Mr. President, the Interstate Oil Compact, could only come about and exist by the express permission of the Congress of the United States. The right for States to organize in a compact is that of Congress to grant or withhold, and there is no issue of States rights involved.

The interstate oil compact allows the States to get together to set production levels and prices, etc., for the express purpose of conserving gas and oil. This is an unusual grant of power and one which neither States nor businesses enjoy except where specifically sanctioned by Congress. Article V of the compact itself states that the setting of prices and the limiting of production, etc., shall be done for no other purpose than for conservation. All my amendment did was to ask the Justice Department to make a yearly report as to whether or not the clear language of article V, agreed to by the States themselves, was being carried out. Without my amendment, Congress has no check or any yearly report on the activities of the compact in this respect.

When the Justice Department submitted its request this year, it asked for \$763,090 and for 147 additional positions to carry out the purposes of my amendment. The House committee passed this amount. The Senate committee, however, recognized that this was an absurd request and that the Justice Department had no real grounds, either in the legislative intent or the job to be done, to justify such a request. As it was my amendment to the oil compact, and as my remarks in the Senate make up the only substantive legislative record, I want to say that I concur with the committee's feeling. I believe the Justice Department's request was an attempt to reduce the real purpose of my amendment to absurdity and to kill any effort to carry out the reasonable intent of the amendment.

I wrote to Senator JOHNSON to this effect on May 18, but I believe that the bill had been marked up before he or his committee had an opportunity to consider my letter.

The committee cut the amount from \$763,090 to \$25,000. I believe that if the Department really carries out the intent of Congress and goes about this task in a reasonable way, that the \$25,000 granted by the committee is quite adequate for the job. This amount is enough to insure that the Justice Department can have no excuse whatsoever to get on with their clear duty and responsibility under the law and under the clear language and intent of my amendment to the oil compact.

The original Justice Department request was ridiculous. When pressed before the Senate committee to support the amount, they fell back on the legislative intent of Congress. I believe I know as much about that as anyone else, and I can say that there certainly is nothing in the history of the amendment in the Senate to justify \$763,090.

It is a clear principle of Government, that the Congress and the legislative branch should be able to secure, as a matter of right, that the spirit of the acts of the executive are suffused with the clear purposes and intents of the Congress. In this case the Justice Department is trying to kill the amendment to the oil compact by asking for an absurd amount. I want them to have no excuse for failing to carry out the clear intent of the Congress and I believe that as the author of the original amendment I can say that the amount the committee has

given them is enough to do a workmanlike job and to carry out the legislative intent of the Congress.

I ask that a letter which I sent to the Appropriations Subcommittee on the Justice Department Appropriations, and addressed to its chairman, Senator LYNDON B. JOHNSON, be inserted in the Record at this point. I wish to say that this letter probably arrived too late for the committee to consider it before this bill was marked up, and that I ask that it be included in the Record because it could not be included in the hearings, and because it is self-explanatory.

I attach hereto the complete contents of the letter from the Department of Justice to the Honorable PERCY PRIEST commenting on my amendment when it was before the House committee last year and which I quote in my letter to Senator JOHNSON be included in the Record at this point.

This latter insertion especially shows very clearly that from the beginning the Justice Department has been less than reasonable in their attitude toward this amendment.

I am happy that the Senate committee saw through their request and has acted as it has. Further, I want to say that I expect, and I believe the Congress has a right to expect, that the Justice Department get on with its job and stop trying to kill or make ridiculous the amendment to the oil compact. The first report, if the Justice Department has done its job, should be ready very soon.

MAY 18, 1956.

The Honorable LYNDON B. JOHNSON,
Chairman, Subcommittee on Justice Department Appropriations, Senate Office Building, Washington, D. C.

DEAR SENATOR JOHNSON: My attention has been called to the request of the Department of Justice for \$700,000 to carry out the legislative intent of the amendment to the Interstate Oil Compact which I introduced and which was carried in the Senate during the last session. I understand that the Justice Department contemplates hiring something like 110 investigators, opening 3 new offices, and increasing the Antitrust Division by something like 25 percent in order to carry out the legislative intent of my amendment.

May I say that this request by the Justice Department is absurd. I can only think it was done in an attempt to reduce the real purpose of my amendment to absurdity and to kill any effort to carry out the reasonable intent of the amendment. I am convinced that a staff of 2 to 4 competent economists, 1 to 2 lawyers, and perhaps 1 to 2 investigators, at most, would be adequate to carry out the legislative intent of my amendment. I am at a loss to find anything in the legislative record of my amendment from which the Department could possibly request the sum of money and the new staff it has asked for. As it was my amendment, and as my statement was the only statement of substance about the amendment in the Senate, I believe that I am in a position to state the legislative intent.

The purpose of my amendment was simple. The Constitution of the United States says:

"No State shall, without the consent of Congress * * * enter into any agreement or compact with another State."

Therefore, the Interstate Oil Compact, like other compacts, can only come about and exist by the express permission of the Congress of the United States. There is no issue of States' rights involved, for the right is that of Congress to grant or withhold.

Article V of the Interstate Compact to Conserve Oil and Gas is worded as follows:

"It is not the purpose of this compact to authorize the States joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose

of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations."

My purpose in offering the amendment was to make certain that the clear intent of the States entering the compact under article V was being carried out. The Congress makes the grant of power to the States involved in the compact but until my amendment, there was no agency of the Congress or Federal Government which reported to the Congress whether or not the clear language of the compact was adhered to.

The Interstate Oil Compact meets only occasionally. I am reasonably certain that the records of the Compact are kept where they are accessible. Further, the Compact invited a representative of the Antitrust Division to attend one of its recent meetings. For some reason, the Justice Department did not even send a representative. I must say that the Department of Justice has acted in a most curious way in this as in other situations affecting my amendment.

After the Compact was agreed to by the Senate, it went to the House committee. The House asked the Department of Justice for its opinion on my amendment. The reply received by the Justice Department was an amazing one—it was signed by Deputy Attorney General Rogers. I shall quote the relevant part:

"The general purpose of this provision seems unobjectionable. However, the investigation into the operation of the Compact contemplated under the provision would apparently involve, among other matters, questions in the field of economics. Such functions do not properly come within the activities of the Department of Justice which is the chief litigating arm of the Government. It is believed, therefore, that it would be inappropriate for the Attorney General and the Department of Justice to be designated to perform such functions."

This quotation is the entire substance of any reference in the Justice Department's letter concerning my amendment.

At a later date, I questioned the head of the Antitrust Division, Judge Barnes, concerning this letter. He admitted before the Banking and Currency Committee that the Antitrust Division did hire numerous economists, that it did have an economics division or section, that this was a legitimate function of the Antitrust Division, and that the subjects of limiting production, stabilizing or fixing prices, creating or perpetuating a monopoly, etc., were ones they dealt with regularly in the normal course of events. Thus, the statement that questions in the field of economics are not functions which properly come within the activities of the Department of Justice is one which does not bear examination. When the Assistant Attorney General, by any clear meaning of his own words, admitted that the Justice Department's contention was ridiculous, I think it is clear that the provision was unobjectionable to them.

We all know that for conservation purposes, the Compact is allowed to set prices, limit production, etc. As this is an unusual grant to any group, private or public, Congress should have a regular report on such activities. The Compact itself, I understand, has given the Justice Department every cooperation. Thus, I am convinced that the Attorney General, in making his request, is attempting to reduce what is a simple and straightforward amendment, requiring the use of a small group of competent people and the writing of a yearly report, to absurdity.

I sincerely hope that the Appropriations Committee will appropriate funds in the amount necessary to carry out the simple provisions of the amendment. It is difficult to make an exact estimate of the amount needed but it would probably be in the neighborhood of \$100,000, which would be enough to pay the salaries of a half dozen competent lawyers and economists and the secretarial help and printing costs, etc., which such a

staff would need. Certainly, no new offices or 100 investigators are needed.

I wish to state again that I can find no evidence whatsoever in the legislative history of my amendment to support the Justice Department's request, and I believe that as it was my amendment, I am as competent to interpret the legislative intent as anyone.

I hope that this letter will be useful to the committee and if the committee so desires, I see no reason why it should not be made a part of the RECORD.

With best wishes.

Faithfully yours,

PAUL H. DOUGLAS.

DEPARTMENT OF JUSTICE,
Washington, D. C., June 14, 1955.

HON. J. PERCY PRIEST,
Chairman, Committee on Interstate
and Foreign Commerce,
House of Representatives,
Washington, D. C.

DEAR MR. CHAIRMAN: This is in response to your requests for the views of the Department of Justice concerning House Joint Resolution 143 and Senate Joint Resolution 38, consenting to an Interstate Compact to conserve oil and gas.

The Interstate Compact to Conserve Oil and Gas was originally executed at Dallas, Tex., on February 16, 1935, by representatives of the oil-producing States (Oklahoma, Texas, California, and New Mexico), with recommendations to other States for ratification. The States of Kansas, Illinois and Colorado subsequently ratified the original Compact. House Joint Resolution 407 was introduced in the 74th Congress for the purpose of giving consent to the Compact under the provisions of article I, section 10 of the Constitution. It was passed on August 27, 1935 (Public Res. 64, 74th Cong., 49 Stat. 939). The approval was for a period of two years, expiring September 1, 1937. The Compact has continued in effect since that time through periodic enactments by the Congress similar to House Joint Resolution 407 of the 74th Congress. The last enactment (Public Law 128, 82d Cong., Aug. 28, 1951) continued Congressional consent to the Compact until September 1, 1955. The joint resolutions would give Congressional consent to a further extension and renewal of the Compact until September 1, 1959.

Whether the proposed extension and renewal of the Compact should be approved involves a question of policy concerning which this Department prefers to make no recommendation. However, there is one provision of Senate Joint Resolution 38, as passed by the Senate, which this Department deems objectionable. Section 2 of that joint resolution reads:

SEC. 2. The Attorney General of the United States shall, within one year from September 1, 1955, and annually thereafter for the duration of the Interstate Compact to Conserve Oil and Gas, make a report to the Congress as to whether or not in his opinion the activities of the States under the provisions of such Compact (1) have remained within the purpose of such Compact as set out in article V thereof, and (2) have resulted in the stabilizing or fixing of prices of oil or gas, the creation or perpetuation of any monopoly, or the promotion of any regimentation in the production or sale of oil or gas, with the understanding that conservation and the protection of the small producer are the paramount purposes of any rules and regulations issued under the Compact."

The general purpose of this provision seems unobjectionable. However, the investigation into the operation of the Compact contemplated under the provision would apparently involve, among other matters, questions in the field of economics. Such questions do not properly come within the activities of the Department of Justice which is the chief litigating arm of the Government. It

is believed, therefore, that it would be inappropriate for the Attorney General and the Department of Justice to be designated to perform such functions.

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Sincerely,

WILLIAM P. ROGERS,
Deputy Attorney General.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Allott	Douglas	Lehman
Barrett	Duff	Mansfield
Bender	Dworschak	Millikin
Bennett	George	Neuberger
Byrd	Goldwater	Payne
Case, S. Dak.	Hayden	Russell
Chavez	Johnson, Tex.	Saltonstall
Cotton	Johnston, S. C.	Smathers
Curtis	Knowland	Watkins
Dirksen	Langer	

Mr. SMATHERS. I announce that the Senator from Kentucky [Mr. CLEMENTS], the Senator from Louisiana [Mr. LONG], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Tennessee [Mr. KEFAUVER] and the Senator from West Virginia [Mr. NEELY] are necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS], the Senator from Kansas [Mr. SCHOEPP], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Iowa [Mr. HICKENLOOPER] is necessarily absent.

The Senator from New York [Mr. IVEY] is absent because of illness.

The PRESIDENT pro tempore. A quorum is not present.

Mr. JOHNSON of Texas. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDENT pro tempore. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. AIKEN, Mr. ANDERSON, Mr. BEALL, Mr. BIBLE, Mr. BRICKER, Mr. BRIDGES, Mr. BUSH, Mr. BUTLER, Mr. CAPEHART, Mr. CARLSON, Mr. CASE of New Jersey, Mr. DANIEL, Mr. EASTLAND, Mr. ELLENDER, Mr. ERVIN, Mr. FREAR, Mr. FULBRIGHT, Mr. GORE, Mr. GREEN, Mr. HENNING, Mr. HILL, Mr. HOLLAND, Mr. HRUSKA, Mr. HUMPHREY, Mr. JACKSON, Mr. JENNER, Mr. KENNEDY, Mr. KERR, Mr. KUCHEL, Mr. LAIRD, Mr. MAGNUSON, Mr. MALONE, Mr. MARTIN of Iowa, Mr. MARTIN of Pennsylvania, Mr. MCCARTHY, Mr. McCLELLAN, Mr. McNAMARA, Mr. MONRONEY, Mr. MORSE, Mr. MUNDT, Mr. MURRAY, Mr. O'MAHONEY, Mr. PASTORE, Mr. POTTER, Mr. PURTELL, Mr. ROBERTSON, Mr. SCOTT, Mr. SMITH of Maine, Mr. SMITH of New Jersey, Mr. STENNIS, Mr. SYMINGTON, Mr. THYE, Mr. WELKER, Mr. WILLIAMS, Mr. WOFFORD, and Mr. YOUNG entered the Chamber and answered to their names.

The PRESIDENT pro tempore. A quorum is present.

Is there further morning business?

CONDITION OF OHIO'S HIGHWAYS

Mr. BENDER. Mr. President, today is important in the life of all the people of Ohio. At last we are about to have a highway bill which will provide relief for the great State of Ohio.

Of course, I believe the President in his message last year provided the formula that was the answer for a national highway system, properly financed and expeditiously provided to give relief to the Nation bereft of adequate highways.

As a Senator from the great State of Ohio, with a population, according to the Census Bureau, approaching the nine-million mark, you can appreciate what pleasure I have in voting for the measure now pending, providing for an adequate road system. Every Member of the United States Senate will appreciate how deeply I feel about this legislation. Ohio has been talking about good roads for a long time, but it has all been conversation.

On March 19, 1956, one of the leading newspapers of Ohio entitled its lead editorial, Our Highway Shame. Every family in this State can verify this description.

Several years ago, the voters of Ohio approved a \$500 million bond issue for the express purpose of constructing new, modern, multiple-lane highways. This bond issue has been nullified by engineering and planning bottlenecks in the State highway department at Columbus. In these times, when provisions for civilian, commercial and military traffic are matters of vital concern to the entire Nation, negligence and procrastination in this area are utterly inexcusable.

There is only one place where the blame for this sorry record can be placed—at the door of the State's chief executive. Our Governor must be held responsible for the failure of his highway director to anticipate our needs, and to submit the necessary plans to meet them.

Ohio's narrow, inadequate roads are hazardous at best, downright dangerous at worst. Highway statistics for 1955 reveal more than one million deaths and personal injuries in the space of 12 months. Ohio contributed far more than its share to this tragic toll.

The PRESIDENT pro tempore. The Chair would remind the Senator that the Senate is still in the morning hour. General debate is not permissible.

Mr. BENDER. Mr. President, I am merely making a statement during the morning hour. It is not debate; it is a statement describing the road conditions in my own State.

The PRESIDENT pro tempore. Any statement is limited to 2 minutes.

Mr. BENDER. Mr. President, I ask unanimous consent that I may proceed for an additional 2 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator may proceed for 2 minutes.

Mr. BENDER. Mr. President, I do not believe that the people of our State are exercised over the controversy with respect to toll roads or freeways. They are concerned over the prospect of getting the job done.

In my judgment, the point of diminishing returns in the operation of toll roads must be carefully considered in the ultimate decision on a north-south Ohio Turnpike. If private financing for a toll road is not found available, the duty to build a modern highway from Lake Erie to Cincinnati will in no way be diminished. The daily risk of our people's lives along Routes 3 and 42 cannot be justified on any basis.

The chairman of the Ohio Turnpike Commission issued a most significant public statement on this subject during the past week. Addressing himself to the north-south turnpike delays, he wrote:

The Ohio Turnpike Commission maintained an at-alert position for all the months it awaited the engineering reports from the director of highways and on the very day, May 11, 1956, they were delivered to the commission after having been held by the director of highways for 10 days after he had received them from the engineers, they were sent by the commission to the members of the syndicate of investment bankers formed to undertake the financing.

Those of us who have occasion to use the roads of other States as well as our own know how rapidly and how completely we are being outstripped by our neighbors, Pennsylvania, New York, and New Jersey. We have only one thoroughly modern highway despite vast expenditures. Only four States in the Union collect more funds from motor fuel taxes than Ohio, but we are far from having the fifth best highways in the United States.

I believe that highway planning experts alone can determine whether or not the north-south highway can be built most efficiently as a turnpike project or a freeway. It does not take an expert to determine that it ought to be built before the automobile becomes obsolete.

The facts are evident. A large part of the Ohio roadway system, both primary and secondary, is dangerous and inadequate.

Our people have been prompt and generous in approving every request for the funds necessary to build a modern highway system.

The long delays which have occurred have been in the executive branch of our Government. Our Governor has applied neither the initiative nor the administrative efficiency which are necessary to get such major activities on to the drafting boards of his highway department and into actual construction.

The Federal Government is interested in helping Ohio to build more roads, and to build better roads. All of us talk a great deal about local responsibility. We want our State governments to assume those burdens which traditionally belong right here at home. If the State's chief executive refuses to accept the responsibility vested in him by his office, the people should know exactly where the fault lies. In Ohio, the blame for poor highways lies squarely at the door of the Governor.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Dead End in Ohio" which was published in the Cleveland Press of November 25, 1955.

The Cleveland Press has been Governor Lausche's principal supporter.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DEAD END IN OHIO

If the State highway department has anything to do with the proposed north-south turnpike, chances are it never will be built.

In fact, the only reason that Ohio has turned to turnpikes at all is because of the failure of the State highway department.

The important through roads, the vital main highways, simply weren't being built.

There was a patchwork of fine back-country roads—but nothing where the traffic was.

The present excellent Ohio Turnpike is a toll road because that was the one way it would get built.

The State highway department has been, and continues to be, a tragic joke.

The suggestion that the floundering State highway department now be brought back into the picture is made by Turnpike Chairman Shocknessy as a desperate financial move.

Shocknessy finds that the north-south turnpike as proposed would lose money in certain stretches. To avoid those losses, he suggests the State highway department build freeways to link together the probably profitable toll sections of the road.

All this does, of course, is dump the responsibility on a department that already has failed in the task of providing decent roads.

It puts the task up to a group of foot-dragging bureaucrats who haven't even plans for spending the cash the legislature has voted them for other top-priority jobs.

And, just as important as a matter of principle, it would mean traffic in a congested area like Cleveland would have to pay tolls, while downstate the riding would be free.

Perhaps this is a time for reexamination of the whole north-south turnpike situation, as Shocknessy suggests.

But that study will mean nothing if the State highway department is brought into the act.

Its almost complete incompetence is a matter of unpleasant record.

Anyone who has ever had the good fortune to ride on the highways of any other State knows the too-little and too-late mess in Ohio.

There is only one legitimate way to include the State highway department in future planning:

And that is after a thorough housecleaning of the department from top to bottom.

Mr. BENDER. Mr. President, on January 1, 1957, this matter will be corrected, because Ohio will have a new governor, a governor who will conscientiously endeavor to have new highways built for Ohio.

Today, we in the Senate are helping to provide some of the machinery and tools with which the new governor can work.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. WELKER. Mr. President, a point of order.

The PRESIDENT pro tempore. The time of the Senator from Ohio has expired.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that I may ask the Senator from Ohio a question.

Mr. BENDER. I shall certainly be glad to answer the Senator from Illinois.

The PRESIDENT pro tempore. Is there objection to the unanimous-con-

sent request of the Senator from Illinois? The Chair hears none.

Mr. DOUGLAS. Is the Governor of Ohio running for the United States Senate?

Mr. BENDER. The Governor of Ohio is running for President, for Vice President, and for United States Senator. I do not know what more he could run for.

DALE LONG, PITTSBURGH PIRATES FIRST BASEMAN

Mr. DUFF. Mr. President, extraordinary achievements in many fields of endeavor have frequently been publicly acknowledged on the floor of the Senate. I rise to suggest an unprecedented performance in the field of sports.

At Pittsburgh yesterday, in the National League baseball game between Pittsburgh and Brooklyn, Dale Long, the Pittsburgh first baseman, hit a home run which was his eighth home run in eight consecutive games, a performance never before equaled in the history of organized baseball.

At a time when we are inclined to look fondly on the performances of the past, it is reassuring to know that we still have in our day those capable of reaching the supreme heights of performance in our athletics.

Dale Long did not come to this supreme distinction suddenly. The fact is that when he came up to the big leagues, he was not found equal to its performance and was sent back to the minors. Most men would have been discouraged and would have resigned themselves to a situation of mediocrity. But Long had the courage not to submit or yield to inferiority. He had the courage and the will to fight to realize what he thought was his potential.

As a result of extraordinary determination, coupled with confidence in himself, despite setbacks and discouragement, he has achieved a distinction never equaled by any player in the whole history of our greatest national pastime.

Long's extraordinary performance is an encouragement to youth everywhere. He is therefore entitled to public acknowledgment, not only for spectacular accomplishment, but also for the determination by which it was achieved.

All Pittsburgh, all Pennsylvania, as well as all America, proclaim this extraordinary young American.

HELLS CANYON POWER PROJECT

Mr. GOLDWATER. Mr. President, much has been said, and much will be said, about the Hells Canyon power project. This public project has been before several Congresses without success, and all the while the wrangling has gone on in Washington over it, the people of that section of the country have been denied a source of increased power.

At this moment, Mr. President, the Idaho Power Co. is building that project with private money, so that the people who need more power may have it. As a result of their building these dams the taxpayers of the United States are saved approximately \$465,500,000;

and with the completion of the project, the Federal and State governments will begin to benefit by taxes paid to them—a benefit that never occurs when the Government builds power projects.

I ask unanimous consent that an approximation of the savings to each State be made a part of my remarks at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

HOW MUCH IS HE SAVING YOU IN TAXES?

Here's about how much the people of each State save in taxes because the local independent electric company, instead of the Government, is building the Hells Canyon power project:

Alabama.....	\$4,300,000
Arizona.....	1,900,000
Arkansas.....	2,200,000
California.....	42,900,000
Colorado.....	4,700,000
Connecticut.....	8,800,000
Delaware.....	2,300,000
Florida.....	6,900,000
Georgia.....	6,100,000
Idaho.....	1,200,000
Illinois.....	35,600,000
Indiana.....	11,900,000
Iowa.....	5,600,000
Kansas.....	4,500,000
Kentucky.....	4,700,000
Louisiana.....	5,100,000
Maine.....	1,800,000
Maryland.....	9,100,000
Massachusetts.....	15,000,000
Michigan.....	26,900,000
Minnesota.....	7,800,000
Mississippi.....	2,200,000
Missouri.....	11,600,000
Montana.....	1,500,000
Nebraska.....	3,400,000
Nevada.....	700,000
New Hampshire.....	1,300,000
New Jersey.....	16,900,000
New Mexico.....	1,400,000
New York.....	68,700,000
North Carolina.....	6,400,000
North Dakota.....	1,000,000
Ohio.....	29,700,000
Oklahoma.....	4,600,000
Oregon.....	4,400,000
Pennsylvania.....	35,000,000
Rhode Island.....	2,400,000
South Carolina.....	3,000,000
South Dakota.....	1,100,000
Tennessee.....	5,400,000
Texas.....	18,900,000
Utah.....	1,600,000
Vermont.....	700,000
Virginia.....	6,900,000
Washington.....	7,300,000
West Virginia.....	3,300,000
Wisconsin.....	9,500,000
Wyoming.....	700,000
District of Columbia and possessions.....	6,600,000
Total.....	465,500,000

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am glad to yield.

Mr. MAGNUSON. I do not care to labor the point, but I believe the advertisement to which the Senator has referred was the most misleading one I have ever read in all the time I have been in Washington. The list shows how much each State would have to pay for the construction of the dam. The truth is that the cost of such dams is paid back, with interest.

Mr. GOLDWATER. The Senator is speaking about the dams in his own State. I am not arguing about that.

The Senator is entitled to his own opinion, as is the Senator from Arizona, who believes that this is a justifiable presentation of the facts.

Mr. NEUBERGER subsequently said: Mr. President, I should like to associate myself with the remarks made a few moments ago by the senior Senator from Washington [Mr. MAGNUSON] about the insertion in the CONGRESSIONAL RECORD by the junior Senator from Arizona [Mr. GOLDWATER] concerning the proposed Hells Canyon Dam. The Hells Canyon high dam would be part of the Bonneville power system, in the Pacific Northwest. That system has collected more than \$300 million in power revenues, which have been put into the Federal Treasury. Furthermore, it is approximately \$68 million ahead of schedule in repaying to the Treasury the money invested in it.

The claim that giving the Hells Canyon power site to a private power company, like the Idaho Power Co., will save the Treasury \$460 million, is a complete misrepresentation. It totally overlooks and avoids the fact that public dams sell power, collect revenues, and pay for themselves.

At some time in the future I shall place in the RECORD a complete answer to the statement about Hells Canyon inserted in the RECORD by the Senator from Arizona. With his permission, I shall insert it on behalf of the senior Senator from Washington [Mr. MAGNUSON] and myself.

ADDRESS BY THE PRESIDENT AT BAYLOR UNIVERSITY, WACO, TEX.

Mr. SMITH of New Jersey. Mr. President, on Friday, last, in Waco, Tex., at the commencement exercises of Baylor University, President Eisenhower made a major foreign policy address. It was inserted in the RECORD yesterday by the distinguished Senator from Massachusetts [Mr. SALTONSTALL]. The report of this address in the papers has stressed quite properly the President's emphasis on the growth and spirit of understanding, not only among our own people, but among the peoples of the world.

He emphasized:

The whole free world would be stronger if there existed adequate institutions of modern techniques and sciences in areas of the world where the hunger for knowledge and the ability to use knowledge are unsatisfied because educational facilities are often not equal to the need.

However, this was only one part of an address which really covered the vision and spirit of our foreign policy today. At the very beginning of the President's address he pointed out how world issues color practically every domestic question, as well as our foreign relations. He pointed out clearly the clash between communism and the ideology of the free world. At one point he said:

Communism denies the spiritual premises on which your education has been based. According to that doctrine, there is no God; there is no soul in man; there is no reward beyond the satisfaction of daily needs. Consequently, toward the human being, communism is cruel, intolerant, materialistic.

Later in his address he said:

The destiny of man is freedom and justice, under his Creator. Any ideology that denies

this universal faith will ultimately perish or be recast. This is the first great truth that must underlie all our thinking, all our striving in this struggling world.

A second truth is that the fundamental principles of human liberty and free government are powerful sources of human energy, loyalty, and dedication. They are guides to enduring success. They are mightier than armaments and armies.

Mr. President, this speech in my judgment is the finest presentation I have seen of the underlying arguments supporting the nonmilitary aspects of our foreign-aid program.

Our Senate Foreign Relations Committee will presently write up the foreign-aid bill. It is my sincere hope that we shall all so inform ourselves on the merits of this proposed legislation that we shall be able to cure the unfortunate mistake made by the House committee in slashing the bill recommended by the administration by over \$1 billion.

REMARKS BY HOWARD PYLE RELATING TO UNEMPLOYMENT IN DETROIT

Mr. McNAMARA. Mr. President, on Wednesday, May 23, I called the attention of the Senate to the remarks made in Detroit by Howard Pyle, an assistant to President Eisenhower.

Speaking to reporters in my State, where unemployment has now climbed to 220,000 persons, Mr. Pyle made the "offhand" remark that "the right to suffer is one of the joys of a free economy."

Displaying more speed than it usually does, the White House got Mr. Pyle to "apologize" for his callous remark. In so doing, Mr. Pyle compounded his error by describing the Michigan unemployment as "seasonal," which I am sure is news to the auto manufacturers. Mr. Pyle might be interested in conservative predictions that unemployment in Michigan will "level off" at about 200,000 for the rest of the year.

I might point out, also, that the cost of living has gone up again, resulting in a penny an hour wage increase for those auto workers still on the job. This hardly is a windfall for those still working, but the cost-of-living rise makes things just that much tougher for the many thousands who are unemployed.

Mr. President, I ask unanimous consent that a number of editorials and articles concerning the "right to suffer" remarks and Michigan unemployment be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorials and articles were ordered to be printed in the RECORD, as follows:

[From Labor's Daily of May 25, 1956]

"RIGHT TO SUFFER" NO JOY TO KENNEL DOGS
WASHINGTON.—The Labor Department's action in declaring Detroit and Flint depressed areas apparently doesn't agree with the Republican attitude toward the plight of laid-off workers, declared Senator PATRICK V. McNAMARA, Michigan, Democrat. McNAMARA's statement was provoked by Howard Pyle, special administrative assistant to President Eisenhower, who asserted this week:

"The right to suffer is one of the joys of a free economy, just as the right to prosper is. But Michigan will come out of it, just as the farmers are doing now."

Predicting that Senators from the farm States would be quick to challenge Pyle's comments that the farmers are "coming out" of their difficulties, McNAMARA likened the remark to one made just 2 years ago by Charles E. Wilson, Secretary of Defense and former president of General Motors, when he said that he liked "bird dogs" who went out and scrounged for their food rather than those who sat in the kennel and waited to be fed.

Pyle later issued an apology.

"Now it will be up to Mr. Wilson to see to it that our idle Michigan plants receive Government contracts," said McNAMARA. He didn't think the 190,000 unemployed in Michigan are finding their situation joyful.

In Detroit, UAW President Walter Reuther said naming Detroit as a surplus labor area must be followed by determined efforts to have Government let contracts here. Having a city reclassified is of no practical importance unless it is followed up with a vigorous and determined effort to channel defense work into such areas, Reuther said.

"What we need in the current situation is fewer generalities from Washington and more specific and tangible action that will produce immediate results and provide job opportunities for the tens of thousands of people who have been laid off," he declared.

[From the New York Herald Tribune of May 25, 1956]

MR. PYLE'S FOOT

Howard Pyle, an administrative assistant to President Eisenhower, was twice elected Governor of Arizona after extensive campaign tours. Before that he was a radio broadcaster, specializing in news commentary and verse readings. So he is used to talking. He talked too much last Tuesday in Detroit, a city with an unemployment problem. He said that "the right to suffer is one of the joys of a free economy, just as the right to prosper is." Walter Reuther of the AFL-CIO didn't think the quip was very funny. Neither do we. The best that can be said for Mr. Pyle is that he was prompt to apologize for what he called an "offhand" and "informal" remark.

Needless to say, Mr. Pyle's statement doesn't reflect the beliefs of the administration. For all we know, it may not reflect his own, for even older than the right to suffer is the right to put your foot in your mouth. It might be pertinent to recall, however, that in 1950 Mr. Pyle told an interviewer that he could talk forever about the beautiful deserts and mountains of Arizona. For him, it might not be a bad idea.

[From the Baltimore Sun of May 25, 1956]

UNGRACEFUL MR. PYLE

People are connecting what Mr. Howard Pyle said about Detroit unemployment this week with what Secretary of Defense Wilson said 2 years ago. And there is a connection. Mr. Pyle, a White House assistant, said that the right to suffer was one of the joys of a free economy. Secretary Wilson said that he preferred bird dogs to kennel dogs, meaning he liked people who looked for new jobs more than he liked people who just sat home and complained. Mr. Pyle was just as ungraceful in his terminology as Mr. Wilson. But both had in mind a quite legitimate comment on the general subject of unemployment.

This was the point that in a dynamic and progressive society like ours it is good to have people looking for new jobs. Full employment is accepted by all as a goal, but the full-employment economists themselves never wanted absolutely 100-percent employment. Always they assumed there would be a steady, if narrow, margin of people shifting from job to job, either because they had lost their old job or were discontented with it. The general impression was that only with this steady search of new employment

could working people get into the niches where they fitted best and so produced maximum economic efficiency.

This idea was worked into the very core of the original Federal-State unemployment-insurance programs. They eased unemployment, but also encouraged the unemployed to seek new jobs. Now a newer concept has come along, symbolized by the so-called guaranteed annual-wage plans. In these plans unemployment insurance is not a device encouraging the worker to find a new job, but a way of financing him in idleness until he can go back to the old job. People who support GAW, as it is called, like Mr. Walter Reuther, will be against references to the older idea that a jobless man ought to be encouraged to look for new work. Indeed, it was Mr. Reuther who led the protest against Mr. Wilson 2 years ago and who leads it against Mr. Pyle now.

[From the Washington Post of May 25, 1956]

CALL ON THE DOGS

A court of law might not find Presidential Assistant Howard Pyle guilty of treason for his unwitting remark in Detroit, but the Republican National Committee may. Mr. Pyle committed the unpardonable political error of sounding callous to the misfortune of his fellow citizens. It is easy to understand in context what Mr. Pyle meant when he said that "the right to suffer is one of the joys of a free society," and not even the Democrats can think that Mr. Pyle really endorses suffering as a joy. But the exchange of political brickbats in an election year takes place out of context, and Mr. Pyle has handed his opponents a handy slogan. His prompt and forthright apology hardly excuses his indiscretion, for as the former Republican Governor of Arizona and a leader of his party he should have known better. No doubt the Democrats will be happy to help banish Mr. Pyle to the doghouse—Secretary Wilson's bird-dog house, that is.

[From the Pittsburgh Post-Gazette of May 25, 1956]

THE RIGHT TO SUFFER

For the second time, a high official of the Eisenhower administration has had to explain away and apologize for an unfortunate remark involving unemployed automobile workers in the Detroit area.

First it was Defense Secretary Wilson who, in October 1954, told a Detroit news conference that he preferred the bird dog to the kennel dog or, as he put it, "one who'll get out and hunt for food rather than sit on his fanny and yell."

That unhappy analogy has now been topped by Howard Pyle, an administrative assistant to President Eisenhower and former Governor of Arizona. With an ineptness bordering on genius, he told reporters in Detroit this week that "the right to suffer is one of the joys of a free economy, just as the right to prosper is."

Now Mr. Pyle is sorry. He has apologized to anyone who may have been offended by an offhand remark. We hope the unemployed automobile workers will accept this attempt to explain away an offhand remark.

It will be much harder, however, to explain away unemployment in the automobile industry. And that is what Mr. Pyle's remark points up. This situation cannot be dismissed as a slip of the tongue. Nor can it long be camouflaged by such high-flown economic phrases as "technical adjustment." The problem at issue is not a right either to suffer or to prosper but a condition with which responsible men should deal responsibly and humanely.

[From the New York Post]

FAMOUS LOST WORDS

Gather around, children, the journalism class is meeting. Once again our subject is

the tenderness accorded the blunders and self-revelations of this Republican administration by a big section of the United States press.

The story began on Tuesday in Detroit when Presidential Aid Howard Pyle delivered his historic comment on the unemployment crisis in the auto industry: "The right to suffer is one of the joys of a free economy, just as the right to prosper is."

His words received moderate mention in the Detroit Times (a Hearst paper). Yet for nearly 24 hours his statement remained unreported out of Detroit. Then UAW President Walter Reuther dispatched a hot telegram to Ike, and in midafternoon Wednesday the press associations finally recognized something had happened.

By late afternoon it became apparent that the news might get around; and by the time Pyle got back to Washington Wednesday night, he was prepared to swallow his words. He did so in a formal communique, apologizing to "anyone who may have been offended." The hardships of unemployment, he had decided on second thought, "are not pleasant for any of us."

Now, by any rule in any book, it seemed like news to us when a deputy to the President proclaimed "the right to suffer" as one of the glories of our way of life. It seemed even bigger news when the GOP strategists so frantically persuaded him to change his mind.

But on the basis of the performance of most of the New York press, it looks as though there was no cause for administration concern. As of last night, 48 hours after Pyle first spoke and 24 hours after the news got out of Detroit, this was the coverage the episode had received in the local gazettes:

New York Daily News: Zero.

New York Daily Mirror: Zero.

New York Journal-American: Zero.

World-Telegram and Sun: A one-paragraph final-edition bulletin on page 1 Wednesday, suggesting great initial excitement that faded into a six-paragraph story on page 3 in Thursday's first edition, and less as the day wore on.

The Times and Herald Tribune: Dispatches of modestly respectable length, quietly interred on page 20 and page 11, respectively.

And that, kids, is another saga of a story that was almost suppressed before it was born and died in most places before it was 1 day old.

[From the New York Post]

PROTESTS MOUNT OVER WHITE HOUSE ASSISTANT'S RIGHT-TO-SUFFER CRACK

(By Robert G. Spivack)

WASHINGTON, May 25.—Adlai Stevenson today joined the mounting protest over Deputy Presidential Assistant Howard Pyle's observation that "the right to suffer is one of the joys of a free economy."

Stevenson, commenting on Pyle's discussion of the Detroit unemployment problem, said:

"Such an attitude, I suggest, denies completely the basic proposition upon which the future of this society and economy of ours depends.

"The proposition is that in growth, in full use of our resources, in the expansion of our economy is the full answer to the problems we face."

Representative TUMULTY, Democrat, of New Jersey, said of Pyle:

"He should be given the opportunity of enjoying his own philosophy. There is no greater suffering that I can think of than being separated from that conduit of joy, the public payroll."

Louis Hollander, president of the New York State CIO, said that "it's inadvertent, unprepared, off-the-cuff remarks like these that show what is in the hearts of the men who are running this administration."

Representative ROONEY, Democrat, of Brooklyn, called Pyle's comments "just another example of the facetious disregard of the administration for people who work by the sweat of their brow."

TUMULTU waxed eloquent on the subject of Pyle. "His speech was about as logical as my saying that starving is good for you as I wipe my mouth of whipped cream."

"The American people have once had the pleasure that Mr. Pyle suggests. They 'enjoyed' suffering under the last Republican administration. Somehow the average man has a twisted view when he goes through this 'joy' of suffering. Sometimes he changes doctors."

"Mr. Pyle ought to give a graphic illustration of the willingness of the 'team' to suffer and practice what he preaches. As for his 'apology,' I suppose he'll now send autographed pictures of Herbert Hoover to every man on relief. I'd have had more admiration for him if he had said, 'Well, I said it and I'm glad.'"

Pyle apologized Wednesday to anyone who may have been offended by what he called an offhand remark to a group of Detroit newspapermen.

[From the New York Post]

DETROIT, May 25.—Michigan's unemployment probably will average 200,000—one-twelfth of its labor force—for the remainder of the year, the Michigan Employment Security Commission said today.

Current jobless rolls stand at 220,000, with 128,000 of the total in the metropolitan Detroit area, which the Federal Government has declared a region of critical unemployment, along with Flint and Monroe.

Henry Ford II, president, told stockholders of the Ford Motor Co. at their first meeting yesterday that the automobile business is likely to get worse before it gets better this year.

Leonard Woodcock, vice president of the United Auto Workers in charge of the General Motors Division, estimated 90,000 GM workers now are idle and predicted the figure would go past 100,000 by the end of June.

TWO BRIGHT SPOTS

There were two bright economic spots, however.

All auto, aviation, and farm equipment workers, except those at Chrysler Corp., will get a 7-cent hourly wage increase June 1. Chrysler workers got a 6-cent boost April 1.

One cent of the increase is to compensate workers for the increased cost of living. A 6-cent hourly increase is provided annually to compensate workers for technological advancements that provide less costly and more efficient production.

The new 7 cents will raise to approximately \$2.19 hourly the average pay of auto workers still on the job.

ARMY CONTRACTS

The Army's Ordnance Tank-Automotive Command said it planned to award more than \$65 million in defense contracts in the Detroit area in the next month.

Ford told his stockholders that retail sales of automobiles will be down and profits substantially lower than last year, but he termed prospects for the future as particularly bright.

The State employment commission predicted Michigan's peak employment will come in late July or early August, periods in which auto makers are expected to begin recalling workers for 1957 model production.

[From the Detroit Free Press of May 24, 1956]

UNITED STATES PLANS DETROIT-FLINT JOB AID

(By Tom Nicholson)

Detroit and Flint were classified Wednesday by the United States Department of Labor as areas of serious unemployment.

The ruling means industries in the two areas will get preferential treatment in the placing of defense contracts.

Indications were, however, that the action would have no immediate effect on reducing unemployment—which totals 125,000 in Detroit and 190,000 in Michigan.

Observers said that it would take several months, at least, to arrange the placing of contracts and get into production.

The Labor Department estimated auto-industry unemployment at 159,000.

Additional layoffs this week at Pontiac, Fisher Body, and Chevrolet plants are expected to increase this total to 164,000.

OTHER DEVELOPMENTS

1. Mayor Cobo said he would discuss with Detroit industrialists ways to implement the Labor Department ruling.

2. Governor Williams said he would ask Walker L. Cisler, chairman of the State emergency industrial production commission, to devise a program for getting new contracts.

The Governor's full-employment committee will meet here Thursday.

3. UAW President Walter P. Reuther said the reclassification order "is of no practical importance unless it is followed up with a vigorous and determined effort to channel defense work into such areas."

"What we need in the current situation is less of generalities from Washington and more specific and tangible action," Reuther said.

4. White House Assistant Howard Pyle apologized for saying, in connection with Detroit unemployment, that "the right to suffer is one of the joys of a free economy."

He apologized after Reuther had severely criticized his remark. Reuther's criticism was wired to President Eisenhower.

Senator McNAMARA, Democrat, of Michigan, also assailed Pyle's remark and likened it to Defense Secretary Charles E. Wilson's "bird dog" story.

"I don't think our 190,000 unemployed workers are very happy about this 'right to suffer,'" said McNAMARA.

Pyle said of his remark:

"As for my offhand comment on the Detroit situation, which I made informally in the company of several press representatives, I apologize to anyone who may have been offended by it."

Pyle had said of the unemployment situation:

"The right to suffer is one of the joys of a free economy, just as the right to prosper is. But Michigan will come out of it, just as the farmers are doing now."

Pyle also reportedly termed Michigan's current unemployment as "seasonal and diminishing."

Said Reuther: "UAW members, who are laid off, find it difficult to smile at remarks terming the 'right to suffer' as a 'joy' regardless of how facetiously such a statement might have been meant."

He said that unemployment—far from being "seasonal and diminishing"—had increased from 60,000 in January to 125,000 now in the Detroit area.

"Laid-off workers in Michigan and elsewhere would be far more impressed by concrete action on the part of your administration to get them back to work than the sending of court jesters to tell them that suffering is really a joy," Reuther said.

The Labor Department also classified South Bend, Ind., and Kenosha, Wis., two other automobile towns, as serious unemployment areas.

Monroe, Marquette, Iron Mountain, and Escanaba have the same classifications.

Under the Government program, military buyers may set aside portions of large purchases if bidders in unemployment areas can meet requirements.

THE PRESIDENT'S ACTION IN SIGNING THE FARM BILL

Mr. CARLSON. Mr. President, yesterday afternoon, after I learned that the President had signed the farm bill, I wrote Secretary Benson as follows:

MAY 28, 1956.

HON. EZRA T. BENSON,
Secretary of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: Now that the President has signed the recently approved farm bill, I would urge that every effort be made to make the provisions of the soil bank applicable for 1956.

There are many areas in the Nation where crops have not been planted and there are also areas where, although the crops have been planted, they have not been harvested.

Many individual farmers and county Farm Bureau organizations have wired me urging that this action be taken in order that the farmers who can avail themselves of the soil bank for 1956 be privileged to do so.

The financial situation of some farmers in the great agricultural Midwest is such that I feel this action will not only be of benefit to the individual farmer, but will lay the groundwork for a greatly expanded soil-bank program next year.

With kindest regards,

Sincerely yours,

FRANK CARLSON.

Mr. President, this morning I have discussed this matter with the Secretary of Agriculture. I am pleased to note that the matter is being given every consideration at the present time.

FEDERAL-AID HIGHWAY ACT OF 1956

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed, and the Chair lays before the Senate the pending business.

The Senate resumed the consideration of the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from New Mexico [Mr. CHAVEZ], inserting on page 49 of the committee amendment, after line 24, a provision relating to the prevailing wage.

Mr. MAGNUSON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. GORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from New Mexico [Mr. CHAVEZ] to the amendment of the Committee on Public Works, on page 49, after line 24.

The time is now under the control of the Senator from New Mexico [Mr. CHAVEZ] and the minority leader or acting minority leader.

Mr. GOLDWATER. Mr. President, I yield 15 minutes to the Senator from Virginia [Mr. BYRD].

Mr. BYRD. Mr. President, with respect to the pending bill the Senate Finance Committee has approved title II, to finance the highway program, without making provision for the increased cost occasioned by the Davis-Bacon amendment, if it should be adopted. If this amendment is adopted, it will be necessary to give further consideration to the question of obtaining increased revenue to pay the additional cost. By a conservative estimate adoption of the Davis-Bacon amendment will cost between \$4 billion and \$5 billion additional. Last year the Davis-Bacon amendment was deleted by the Senate from the highway bill then pending.

From a practical standpoint, it is an absurdity to say that a scale of wages can be applicable to the Interstate System and not apply to other road construction. The practical effect will be that the same scale of wages will have to be paid in all programs—Federal, State, and county—as many of these roads are side by side.

The amendment, if adopted, would bring about one of the greatest concentrations of power in Washington yet authorized, as the impact of this authority on the Federal Government would be felt in practically every line of business.

This is a field in which the States could act if they so desired, but it is not a function of the Federal Government. As a matter of fact, 30 States have prevailing wages law.

The widely publicized purpose of this highway bill is to build the greatest Interstate System of roads on the fastest schedule for safety, economic expansion, and defense.

The effect of this amendment would be to build less mileage at a slower rate, and at a higher cost.

It would upset wage rates and local economies from coast to coast.

It would increase the cost of all other road construction programs and reduce mileage.

It would disorganize practically every state highway department in the country as I shall show in a few moments by communications from State highway departments. State highway departments are generally conceded to be among the most efficient of all public agencies.

This amendment would concentrate in Washington bureaucracy without appeal the power to veto collective bargaining agreements and State prevailing wage laws. Let us understand that no appeal could be taken from the prevailing wages fixed by the Secretary of Labor. No matter how wrong they were, nothing could be done about it. The determination would not be reviewed by the courts.

Under the so-called Davis-Bacon amendment employees would be paid wages at rates not less than those prevailing on the same kind of work on similar construction in the immediate locality as determined by the Federal Secretary of Labor in accordance with the Davis-Bacon Act. However, the determination would be left exclusively and entirely to the Secretary of Labor.

The policy of this bill is to pay for the Interstate System by increased highway user taxes. Title I of the bill does not contemplate universal payment of Davis-Bacon rates, and title II does not raise revenue sufficient to build the system at Davis-Bacon rates.

The Bureau of Public Roads has reaffirmed this statement as late as yesterday.

If Davis-Bacon rates are fixed, they will mean either less roads or increased taxes.

The cost of the Interstate System as contemplated in the bill is based on labor rates being paid currently by the several States. On this basis it is officially estimated that labor costs will run to approximately 40 percent of the total cost. I am advised by Federal highway experts that universal application of Davis-Bacon rates would increase the cost of labor on this system alone by approximately 30 percent. This would mean an increase in the overall cost of the Interstate System of between 10 and 20 percent. The new taxes in title II would have to be raised to cover this deficit.

The rates fixed on the Interstate System necessarily have an impact on other road construction.

An example of how this Davis-Bacon Act works recently came under my personal observation. Employees hired for construction of a hospital in my relatively small city of Winchester had to be paid at rates prevailing in the metropolitan area of Washington, D. C., 75 miles away, although the prevailing rates in Winchester were much less than the prevailing rates in Washington. The rate was fixed arbitrarily by the Federal Secretary of Labor here in the midst of Federal bureaucracy at Washington in accordance with the Davis-Bacon Act. Although protests were made the Secretary of Labor insisted upon these exorbitant rates, using the Washington scale of wages and not the scale of wages prevailing in the city of Winchester.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. ROBERTSON. The point which the distinguished senior Senator from Virginia is making, as to how the proposed amendment would increase the cost of all roadwork in Virginia, was well illustrated to me last Monday, when I visited the site of the new Air Force Academy near Colorado Springs. The Congress authorized a total expenditure of \$125 million for the Air Force Academy. The Government fixed prevailing wage for bricklayers, stone masons, plumbers, and electricians at \$3.50 an hour, but there was such a shortage of labor in that area that the unions demanded and got \$3.75 an hour, which means \$30 a day for the normal 40-hour week; \$45 a day for Saturdays; and \$60 a day for Sundays. The Government requires all contractors who are falling behind in fulfilling their contracts to work both Saturdays and Sundays.

Mr. BYRD. I thank my colleague.

Mr. CHAVEZ. Mr. President, will the Senator yield for a brief comment?

Mr. BYRD. I yield.

Mr. CHAVEZ. It is true that wages are high throughout the country. How-

ever, who would have them otherwise? I will ask the junior Senator from Virginia: How much would a man who makes \$15 a week be able to spend at a country store in Virginia in comparison with a man who makes \$45 a week?

Mr. ROBERTSON. With all due deference to the Senator, he is speaking about what a man makes a week, and I am speaking about what a man makes a day. How can anyone in private industry build a home or a business building with a labor cost of \$45 a day or \$60 a day?

Mr. CHAVEZ. If the Senator from Virginia will look at the Federal Housing Administration operations, he will find that a great many homes are being built in Denver and in Colorado Springs, and even in my own State. If people cannot afford homes, how can they build them? It is necessary to have the money to pay for them. The purpose of the Davis-Bacon Act is to protect human beings and to help them maintain an American standard of living.

Mr. ROBERTSON. In the area referred to by the Senator I have seen hundreds of trailers being used as homes, because people cannot afford to build homes in view of the extremely high wages which must be paid. There is an acute shortage of homes in the Colorado Springs area, in the Denver area, and in the Pueblo area, and in all the industrial areas of Colorado where there has been a remarkable increase in population, indeed, probably the largest percentage increase in the whole country. There is an acute shortage of homes, and we are going to make it even more acute by setting a wage standard on Government projects which the home builder cannot meet.

Mr. McNAMARA. Mr. President, will the Senator yield for a brief comment?

Mr. BYRD. For a brief comment; yes. I do not have very much time remaining. Perhaps I will be able to get some additional time.

Mr. McNAMARA. It has been indicated in this debate that the situation referred to is somehow connected with the Davis-Bacon Act. Contractors are paying the high wages referred to because of economic conditions, not because of the Davis-Bacon Act. They have their men work Saturdays and Sundays in order to attract people to the job. If the Davis-Bacon Act called for a wage of \$1.50, the contractors in the area mentioned would still have to pay the high wages cited. I do not see how all that has any bearing on the question before the Senate.

Mr. BYRD. Mr. President, I have recently received communications from the highway commissions of 29 States. I believe the State highway commissions are the best judges of what the effect of the Davis-Bacon Act provisions would be.

From Alabama, H. L. Nelson, highway director:

Policy followed by United States Labor Department in establishing labor rates for highway work under Davis-Bacon Act results in urban union rates being applied to large rural areas. * * * Will result in substantial increase in cost.

From Arkansas, Herbert Eldridge, director highway department:

If Federal Government usurps States rights and includes Bacon-Davis provisions in highway bill it is estimated that highway costs in Arkansas will be increased by 38 percent.

From Colorado, Mark U. Watrous, chief engineer, department of highways:

Full protection given labor under State statute and only possible effect Davis-Bacon Act would be delay and increased cost by application of arbitrary rules which would prevent local employment on projects outside of large urban areas.

From Delaware, R. A. Haber, chief engineer, highway department:

The Delaware State Highway Department has gone on record as opposing * * * the Davis-Bacon wage rate legislation.

From Florida, Wilbur E. Jones, chairman, State road board:

Estimates are that highway construction costs in Florida would be increased from 15 to 30 percent by Davis-Bacon provision. There would be additional administrative expense at Federal and State levels for enforcement. Such a provision would seriously disrupt local labor markets. It would cause a ridiculous situation with two wage scales being paid on road construction in the same community, etc.

From Georgia, W. A. Blasingame, chairman, State highway board:

Inclusion of Davis-Bacon provisions in the Federal Highway Act could increase cost of work to State of Georgia approximately 12 percent from calculated estimates. This could result in a program loss of approximately \$44 million during the next 3 fiscal years and a further increasing loss thereafter. It would create an atmosphere of uncertain labor costs on all projects, regular Federal-aid, State aid, as well as interstate.

From Iowa, Russell F. Lundy, chairman, State highway commission:

Indications are that as far as we can determine Davis-Bacon will increase our construction costs approximately 20 percent.

From Kansas, F. E. Harwi, Jr., director of highways:

Estimate the probable effect of Davis-Bacon * * * in this State would be at least 10 percent increase in total costs of projects.

From Louisiana, Grady Carlisle, assistant to director, department of highways:

It appears labor costs would be increased from 15 to 25 percent if the Davis-Bacon requirements are met. * * * If we are required to meet the Davis-Bacon requirements it will be but a short time before this increase will spread to all highway construction in the State, as our larger contractors frequently are working on several projects simultaneously in order to efficiently utilize their equipment and men.

That confirms the opinion I have expressed, that application of the Davis-Bacon rates to the Interstate System would undoubtedly be followed by the application of those rates to other road work in the same areas.

From Maine, David H. Stevens, chairman, State highway commission:

There would appear to be a possibility that inclusion of the Davis-Bacon provision in the highway bill would increase highway costs in this State from 15 percent to 20 percent.

From Maryland, Russell H. McCain, chairman, State roads commission:

Maryland State Roads Commission feels wage scales should be left to the States rather than having same written into Federal act.

From Massachusetts, John A. Volpe, commissioner, Massachusetts Department of Public Works:

Our opposition to Davis-Bacon Act being included in any Federal highway bill is not concerned with costs, but we believe the labor matters should be left with the States. We have good labor laws, good means of administering them, and our relationship with labor has always been excellent. We feel that these conditions can be continued better under State administration rather than Federal.

From Missouri, Rex M. Whitton, chief engineer, Missouri State Highway Department:

Anticipate an increase in highway costs in Missouri under Davis-Bacon provision. Factual estimate of probable increase impossible; could be negligible or considerable, depending on administrative procedure. A realistic wage determination at the State level is highly desirable.

The PRESIDENT pro tempore. The time of the Senator from Virginia has expired.

Mr. GOLDWATER. Does the Senator from Virginia need additional time?

Mr. BYRD. I believe the Senator from New Mexico will yield to me some of his time.

Mr. CHAVEZ. I shall be glad to yield 10 minutes of my time to the Senator from Virginia.

Mr. BYRD. From Montana, Scott P. Hart, State highway engineer:

We believe existing State laws give labor equal wage scale protection to that which Davis-Bacon would afford. Construction costs would therefore not be affected one way or the other. We prefer State sovereignty. However, in matters of this nature, would prefer to see enforcement handled by State rather than by Federal authorities with the bureaucratic confusion and attendant and unnecessary expense which the latter plan would involve.

From Nebraska, L. N. Ress, State engineer, department of roads and irrigation:

Construction costs on the Interstate System in Nebraska will be increased an estimated 10 to 15 percent by the application of the Davis-Bacon provisions. Wage rates will be increased from 15 percent in the common labor class to 60 percent in the skilled labor class. A delay in implementation of the interstate program is anticipated due to the necessity of wage rate determinations by the Secretary of Labor.

From New Mexico, Ira B. Miller, operations engineer, State highway department:

Davis-Bacon provision would increase highway costs in New Mexico 5 percent or more. Minimum-pay schedules would be raised in some areas. A varying minimum-pay schedule for each highway project would seriously hamper the cost-accounting system now in use by New Mexico contractors and would increase costs. Preparation of necessary documents to comply with Davis-Bacon provisions would result in unnecessary expenditure of funds by the highway department and would cause a time lag in contract letting.

From North Carolina, A. H. Graham, chairman, State highway commission:

Strongly oppose inclusion of Davis-Bacon section. Will cause increase in wages and materials. If added would make cost of road construction entirely out of line with our present economic wage scale and would prevent completion of contemplated job with funds appropriated.

From North Dakota, S. W. Thompson, State highway commissioner:

Cost of Federal construction in North Dakota under Davis-Bacon provision is 15 to 25 percent over labor costs on State construction. No labor trouble experienced under existing State laws. We urge elimination of Davis-Bacon provision in highway bill.

From New Hampshire, John O. Morton, commissioner, department of public works and highways:

Incorporation of Davis-Bacon provision in highway bill will seriously affect costs of all types of public construction in this State. Our local laws have proved to be fair and satisfactory. Federal funds will constitute about 20 percent of this State's highway program. Davis-Bacon provision would permit Federal wage rates to spread to the remaining 80 percent of the highway program plus all types of other public improvements.

From Ohio, S. O. Linzell, director, department of highways:

Federal supervision of prevailing-wage laws on highway contracts probably would result in additional delays in putting work under contract and superimpose additional administrative control, duplicating work that is already done by State administrative agencies.

From Oklahoma, C. A. Stoldt, director, department of highways:

A recent check indicates that labor costs on highway construction would be increased a minimum of 25 percent if this section is included in the bill. Predetermining wages by the Department of Labor could not be applied solely to contracts on the Interstate System, but if required there, would have to be applied to all other highway contracts let.

From South Carolina, C. R. McMillan, chief highway commissioner:

Passage of Davis-Bacon Act would be detrimental to highway progress in South Carolina. Because of encroachment of States' traditional rights and of increase in construction and administrative costs, strongly urge wage determination by responsibility of each State.

From South Dakota, Charles J. Dalthorp, director, department of highways:

Officials of South Dakota estimate that the Bacon-Davis provision in highway contracts will increase cost by 30 percent.

From Texas, D. C. Greer, State highway engineer:

Application of Davis-Bacon law in setting the wage rates for use on highway construction will no doubt result in higher labor costs. It is not possible to give a very close estimate of the amount of increases; however, we believe the initial increase would be about 15 percent and would continue to increase to approximately 30 percent. * * * Based on annual construction expenditure in Texas * * * it appears that application of the Davis-Bacon law would cause an increase in cost of at least \$14.4 million per year, and within a short time the additional cost would probably climb to \$28 million per year.

From Utah, E. G. Johnson, chief engineer, State road commission:

Davis-Bacon Act in highway bill would increase the highway cost in the State of Utah.

From Vermont, William Poeter, commissioner of highways:

Davis-Bacon provision will double our present road-construction costs. Total construction costs would increase 22 percent, meaning Vermont will be able to build 18 percent less roads per dollar of expenditures on construction.

From Virginia, J. A. Anderson, commissioner, department of highways:

Davis-Bacon amendment may increase labor cost from 20 to 25 percent resulting in overall increase in construction cost of approximately 10 percent or \$9 million if expanded highway program is passed.

From West Virginia, Burl A. Sawyers, State road commissioner:

There is no way to determine the effect of Davis-Bacon on highway costs in West Virginia as we cannot assume action of Secretary of Labor. However, we believe it would increase cost of highway construction in this State between 10 and 20 percent.

From Wyoming, J. R. Bromley, superintendent, Wyoming Highway Department:

Davis-Bacon Act will increase cost and provide less miles of highway. It will provide the probability of delays in contracting, and tend to restrict small contractors and use of local labor. Administration of labor regulations should be left to the State.

Mr. President, these communications have come from 29 States. Officials in 12 States said the Davis-Bacon Act would have no effect in their States.

The estimates of cost submitted in connection with the program proposed in this bill do not contemplate wages at Davis-Bacon rates. Those who are to carry out the program estimate application of Davis-Bacon will increase costs in this program all the way up to 38 percent in one State. It is generally indicated costs will be increased from 10 to 20 percent in most States. If this amendment is adopted, the revenue provided in title II will be far from sufficient to finance the program.

The State highway officials have indicated further that its application to this program will increase the cost in other programs. Under these circumstances, there are two alternatives:

First. Curtail all highway programs; and

Second. Increase both Federal and State highway-user taxes up and down the line again.

I submit that any benefits which may be achieved do not justify either alternative. Therefore, the amendment should be rejected.

Mr. CARLSON. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. CARLSON. Mr. President, I should like to ask the Senator from Virginia if he has a statement with reference to Kansas.

Mr. BYRD. Yes.

Mr. CARLSON. Would the Senator mind reading it?

Mr. BYRD. It is from F. E. Harwi, Jr., director of highways, reading as follows:

Estimate the probable effect of Davis-Bacon * * * in this State would be at least 10 percent increase in total cost of projects.

Mr. CARLSON. Mr. President, if the Senator from Virginia will yield further, I wish to say that we have in Kansas a very fine, outstanding highway department, and I was interested to have their views on this particular amendment and the cost to the State.

Personally, I would oppose any legislation which would in any way reduce labor standards and wages in my State. On the other hand, I would definitely object to legislation which would permit some regional labor office setting the wage standards. I shall do everything in my power to protect the prevailing wages in my State. We have good wages and good labor conditions.

Mr. KNOWLAND. Mr. President, I yield to the Senator from Virginia 1 additional minute on the bill.

Mr. BYRD. Mr. President, while I am very much opposed to Federal control of local wage scales, I would agree to legislation under which the States would establish wage scales on road construction.

Mr. DANIEL. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. DANIEL. Does the Senator intend to offer an amendment, if the pending amendment is defeated?

Mr. BYRD. I understand such an amendment will be offered.

Mr. GOLDWATER. Mr. President, I yield 5 minutes to the junior Senator from South Carolina [Mr. WOFFORD].

Mr. WOFFORD. Mr. President, I shall like to make a few observations regarding the Davis-Bacon provision and its sought-for application to the Federal highways bill.

First of all, I feel that we should redefine the term which has been commonly used with reference to the Davis-Bacon Act. Under this act the Secretary of Labor is charged with the duty of determining the prevailing wage in a community for the purpose of a Federal project or a federally assisted project. The Secretary has wide discretion in making such a determination. He is not limited to any definite area around the community in arriving at his decision. He may survey far and wide if he so desires.

The result of this latitude of discretion has been that the Secretary has, in too many instances, arrived at determinations of unprevailing wage scales instead of prevailing rates. My impression is that the Secretary has been remarkably unsuccessful in learning the actual prevailing scales of wages paid in the communities of this Nation.

In many cases the unions representing workmen have complained that the scales have been set lower for the community in which the work was being done than rates for other projects. On the other hand, there have been numerous cases in which contractors charged the Secretary with fixing unrealistically high scales of wages for certain communities.

The passage of the highway bill with the Davis-Bacon provision certainly would greatly increase the load of work of the Department of Labor. The Secretary would have to make many thousands more wage-scale determinations each year than he now has to make. The number of complaints now being heard about Davis-Bacon determinations would increase with the number of projects considered.

No bureaucrat in Washington can be expected to be able to determine accurately what the prevailing scale of wages is at some distant point in the country. Despite all the statistics he might assemble, he could not be familiar with the details of what to him might be small problems in small communities.

But what might be small problems to the Secretary of Labor might well be of sufficient importance in a small community to disrupt the entire economic balance of the community.

No one man should have the power to fix what he says is a fair wage—a power from which there is no appeal.

In this country we believe in the right of the individual and the right of a union representing individuals to negotiate agreements with employers without unnecessary governmental influence. I cannot believe that many workmen would accept employment on a highway-construction project unless they were paid the actual prevailing wage for the type work being performed.

Because of the many complex problems in connection with wage-scale surveys throughout the country, I cannot believe that a bureaucrat in Washington can find out more about the wages prevailing in South Carolina, or any other State, than the workmen, the contractors, and the State highway department officials.

The PRESIDENT pro tempore. The time of the Senator from South Carolina has expired.

Mr. GORE. Mr. President, I yield to the Senator from South Carolina 5 minutes on the bill.

Mr. WOFFORD. I thank the Senator from Tennessee.

Mr. GORE. Mr. President, will the Senator yield?

Mr. WOFFORD. I yield.

Mr. GORE. I take this opportunity to express my pleasure in serving with the distinguished junior Senator from South Carolina, and to say that in the comparatively brief period in which he has served in the Senate he has impressed his colleagues with his diligence, his ability, and his sincerity.

Mr. WOFFORD. I thank the distinguished Senator from Tennessee.

The PRESIDENT pro tempore. The Senator from South Carolina is recognized for 5 additional minutes.

Mr. WOFFORD. Recently I received a copy of a letter from a contractor engaged on a Federal project in South Carolina. This contractor was writing to the Solicitor of the Labor Department. The contractor refused to sign a statement saying that the wages set by the Labor Department for his project represented the prevailing wages in the community.

He suggested to the Labor Department that it "determine the prevailing wages by confirmations from local businesses from whom such rates should be secured and not from the false rates as set by your Department."

Back in 1951, when the H-bomb plant was constructed in South Carolina, I recall the furor which ensued over the determination of wage scales by the Secretary of Labor. Senators can visualize the confusion which grew out of the original determinations of wages at rates being paid in Atlanta, a metropolis 300 miles away, instead of at rates being paid in the several large cities much nearer the project.

More recently, I am informed that wage scales established for Federal projects in my State vary from the actual prevailing rates by as much as from 5 to 37 percent.

Not only would additional chaos be created in the United States Department of Labor by applying the Davis-Bacon provision to the highways bill; the provision would also disrupt non-Federal highway construction in the States. It is not difficult to realize the problems which State highway administrators would face if they were forced to apply one wage scale to Federal projects and another scale to State projects nearby.

A loss of from two to four billion dollars' worth of highways by virtue of increased costs is estimated if the Davis-Bacon provision is applied to the bill. I do not believe the taxpayers of this country want Congress to enact a provision which would deprive them of badly needed miles of highways. Neither do I believe the American taxpayers want Congress to approve the expenditure of more funds than are necessary to secure the best highways possible, whatever the reason.

If we approve the Davis-Bacon amendment to the highways bill, then we ought to rename the act. We ought to call it a guide on how to gouge the taxpayers.

Almost a half century has passed since the first Federal aid bill for highways was passed by Congress. In that period the State highway administrators have done outstanding work on carrying forward the Federal highways program within the limits of their funds. No reason has been given why Congress should take away from them the authority to conduct the construction program when they will have more money to build more roads.

The application of the Davis-Bacon Act to the highway construction program would mean that every dollar collected in taxes for this purpose would immediately be worth less than its already shrunken value. We would be applying the principle of soak the taxpayers so that more could be spent to build fewer roads per dollar. I am opposed to any such principle.

What we ought to be trying to do is to build as many good highways as possible for every dollar collected from the taxpayers.

The American taxpayers are tired of being robbed. They want to have some of the water squeezed out of Federal programs. If we use common sense, sound economy, and good government,

we will apply democracy instead of bureaucracy to the proposed legislation. We will throw out the Davis-Bacon provision instead of throwing up our hands and yielding to pressure for its enactment.

The attempts of the proponents of the Davis-Bacon provision to impose such Federal controls on the highway program is another illustration of the fact that control goes with the purse strings. It is further proof that we who are wary of Federal-aid-to-education bills, and other similar schemes, have good reason for our fears.

Congress should have no concern with special interests.

I hope the Senate will consider the public interest and reject the amendment.

The PRESIDENT pro tempore. The time of the Senator from South Carolina has expired.

Mr. WOFFORD. Mr. President, will the Senator from Tennessee yield me 2 additional minutes?

Mr. GORE. Mr. President, I yield to the Senator from South Carolina 2 additional minutes on the bill.

Mr. WOFFORD. I thank the Senator from Tennessee.

We have no obligation to the unions and none to the contractors. Our obligation is to the public—to make certain that every mile of road possible is built for every dollar spent under the program. The millions of highway users have a greater stake in the use of their tax dollars than either the workmen or the contractors who construct the highways. Both of the latter are already protected by laws passed by Congress and tested in the courts.

The only protection the taxpaying public has regarding the construction of this vast network of highways is the protection which will be provided by the passage of a sound bill—a bill free of costly plums.

Let me recapitulate briefly some of the reasons why the Davis-Bacon Act should not be applied to the bill:

First. The economy of local communities, particularly rural communities, should not be disrupted.

Second. Federal redtape should not be allowed to delay and confuse the construction program.

Third. Free bargaining should be permitted between labor and management under the laws already regulating such activities.

Fourth. Each State's right to carry out the best program possible should not be interfered with by Federal purse-string control.

Fifth. Highway construction costs should be kept as reasonable as possible instead of being inflated by artificial wage-scale fixing.

Sixth. The public interest is a greater interest than any other.

I cannot disregard the factors I have cited here. I shall vote against the amendment, and I hope the Senate will reject it.

Mr. CHAVEZ. Mr. President, I yield 5 minutes to the distinguished junior Senator from Oregon.

Mr. NEUBERGER. Mr. President, as a member of the Committee on Public

Works, I support the amendment offered by the chairman of the committee, the distinguished Senator from New Mexico [Mr. CHAVEZ], to include the Davis-Bacon prevailing-wage provision to the highway bill now under consideration.

I think we should consider the amendment temporarily and in view of the fact that, after all, the Davis-Bacon Act now applies to all contracts for direct Federal construction, as well as to contracts for schools, hospitals, housing, airports, and other facilities constructed with Federal-aid funds. Certainly it would not be logical for the Senate to fail to include the Davis-Bacon provision in a bill providing for the construction of an interstate road system for which the Federal Government will pay a full 90 percent.

Let me call to the attention of the Senate the fact that under the Federal Airport Act, the normal Federal contribution varies only from 50 to 62 percent. Yet the Davis-Bacon prevailing wage provisions apply to the Airport Construction Act.

Under the Hill-Burton Federal Act, providing funds for hospitals, an act which aided them so generously and which was of such value in the construction of hospitals throughout the Nation, the Federal share usually runs between 33 and 66 percent. Yet I do not think there has been a great deal of controversy over applying the prevailing wage standards to the Hospital Act.

So far as the School Construction Act is concerned, under which compliance with the Davis-Bacon provision is required, the Federal contribution varies, but hardly ever reaches 90 percent, and often is below 50 percent.

To those particular Federal acts, in connection with which the amount contributed by the Federal Government is far less than 90 percent—and 90 percent is the amount the Federal Government will contribute to the interstate road system—the Davis-Bacon Act applies. Therefore, it seems to me logical that it also should apply to the interstate road system.

I have heard with interest some very able speeches, in which it has been asserted that if the Davis-Bacon provision were added to the road bill, it would result in adding to the cost of the roads. Conversely, it might just as logically be argued that if the men working on the roads were paid only 10 cents an hour, it would result in a lower cost and that more roads could be built.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. FULBRIGHT. I think some of us who oppose the application of the Davis-Bacon Act to the road program do not oppose it because of the principle of the prevailing wage, but because we believe the Secretary of Labor is not an impartial agent for determining what is the prevailing wage. If a system could be adopted whereby the Federal Government and the State could participate in the decision as to what is the prevailing wage, it would satisfy some of those who have no opposition to the principle of the prevailing wage, but who believe that the Secretary of Labor is partisan and

has no real interest in knowing what the prevailing wage is in any particular community.

Mr. NEUBERGER. I may say to the Senator from Arkansas that perhaps the experience in his State has been different from that in my State; but in my State there has been no major controversy over the rulings of the Secretary of Labor with respect to prevailing wages on facilities constructed with Federal aid. Furthermore, the States are going to pay very little toward the cost of the interstate road system. The Federal Government will pay 90 percent of the cost of the Interstate System, under the bill now before the Senate—even as much as 95 percent.

Mr. FULBRIGHT. That is a very superficial distinction, because the States ultimately will pay all the costs of both programs. But in answer to the first part of the Senator's statement, I should like to point out exactly what happened in the construction of the Bull Shoals Dam. The Secretary used, as the basis for determining the prevailing wage, the rate paid in a city 100 miles away, which was very unrealistic, because the dam was built in an undeveloped area, and the conditions there were very different from those which prevailed in the city which he used as the basic area for determining what was the prevailing wage.

The point I wish to make is that I have no objection to the principle of prevailing wage. I think it is a proper one. I am for it. But I do object to using an agent who is really and admittedly partisan in this matter. The Secretary of labor no longer intends to take an impartial view of labor matters. He represents labor, which is all right; but I do not wish to give him the judicial function of determining a fact which it is beyond his personal knowledge and interest to know. The prevailing wage would be fixed under a system which would result in an erroneous finding.

I should like to suggest that in that decision someone representing the State could participate along with the Secretary in determining the facts. I would be agreeable to such a program.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield to the chairman of the committee.

Mr. CHAVEZ. In answer to the Senator from Arkansas, I wish to say that the Committee on Public Works considered all the factors which he has mentioned. We have a little faith in the Secretary of Labor in the Eisenhower administration. We think he will be able to make a fair decision. If he cannot make such a decision, he should not be there.

The PRESIDENT pro tempore. The time of the Senator from Oregon has expired.

Mr. GORE. Mr. President, I yield 5 additional minutes on the bill to the Senator from Oregon.

Mr. FULBRIGHT. Mr. President, if the Senator will yield, I want to make it clear that I am not applying my remarks to the present Secretary of Labor's position. There is nothing personal in what I am saying. Former

Secretary Tobin was a fine man, but I had many conferences with him. I think he really made no great pretense of taking an impartial view. He was for labor. He not only was for labor, but he was for Boston labor. He did everything he could to protect Boston labor.

Mr. CHAVEZ. To me, it was not a question of defending the present Secretary of Labor. I was trying to say that, whether the Secretary of Labor be Tobin, Perkins, or anyone else, there should be a certain amount of faith by the American people that the Secretary of Labor will take into consideration the rights of labor. That is all the Davis-Bacon Act, in my opinion, does.

Mr. NEUBERGER. I should like to call this to the attention of the Senator from Arkansas. Although I do not have the exact dates before me, it is my understanding that the Davis-Bacon principle has been a part of the law of the land since about 1931, just before President Hoover left office. The principle has been applied to airports, schools, housing, hospitals, and other facilities constructed with the aid of Federal funds. If the Davis-Bacon provision has not worked out well, or if it should be changed, why have not its opponents brought in proposals to amend it so as to have another so-called impartial authority make wage determinations? It seems to me it is a very poor time to bring that question up when we merely wish to extend to the construction of roads the same principle which presently applies to the construction of hospitals, schools, airports—

Mr. CHAVEZ. And libraries.

Mr. NEUBERGER. And other facilities constructed with Federal funds. Furthermore, the Federal Government, as now provided in the bill, will pay a far greater percentage of Federal funds for the construction of roads than it contributes toward construction of other installations over which the Davis-Bacon rule prevails. If the Davis-Bacon rule has failed to work out right, why have not its critics brought in suggestions for changing its operation over the last 25 years?

Mr. FULBRIGHT. This is not the first instance in which principles have been ignored or in which no one has bothered to pay particular attention until a measure which is very large or which has a great impact on a particular community is brought up for consideration. As the Senator knows, this is an enormous program. It is far greater than was the library program or any other he has mentioned. For instance, the library program had no impact on my own State, or any other State, and no one really became excited about it. The program before the Senate is so large that it will mean a great deal. I am referring to the administration of it, and it strikes me as a matter of great importance. This being a joint program, I see no reason why we should seek to exclude State participation in a matter peculiarly within the knowledge of the local people. That is the prevailing wage in that locality, not the prevailing wage in Boston or New York or the District of Columbia. The prevailing wage in other

places is not the question. The question is what is the prevailing wage in the locality.

I do not see why the Senator from Oregon objects to the participation of State authorities in that connection.

Mr. NEUBERGER. If the Senator from Arkansas believes the State should participate in the determination of the wages paid under the Davis-Bacon Act, then the thing for the Senator from Arkansas to do is to bring in, following this discussion, a general amendment to the Davis-Bacon Act, and let it be considered by the Committee on Labor and Public Welfare or some other appropriate committee.

But inasmuch as the Davis-Bacon Act applies to other Federal facilities or other facilities which are constructed with the aid of Federal funds, I believe it should apply to the road system. It seems to me this a very inopportune time to suggest a general change in the Davis-Bacon Act.

Mr. FULBRIGHT. I am not suggesting it; the Senator from Oregon suggested it. I am suggesting it only in the case of this bill.

The PRESIDENT pro tempore. The time of the Senator from Oregon has expired.

Mr. NEUBERGER. Mr. President, will the Senator from Tennessee yield 2 additional minutes to me?

Mr. GORE. I yield to the Senator from Oregon 2 additional minutes on the bill.

Mr. NEUBERGER. I thank the Senator from Tennessee.

The PRESIDENT pro tempore. The Senator from Oregon is recognized for 2 additional minutes on the bill.

Mr. NEUBERGER. Mr. President, in conclusion, I repeat that the arguments made earlier today on the floor, namely, that the application of the Davis-Bacon Act may require further funds in connection with the construction of these highways, could be used against the payment of prevailing wages in connection with the construction of any Federal facility. It even could be used in reverse to suggest that we return to the coolie wages paid to humble immigrants brought from abroad to construct our transcontinental railroads—workers who were paid virtually nothing, and who hardly got enough to eat. On the basis of that argument, we could virtually pave the entire country with roads, if we starve the laborers building them.

Mr. President, it seems to me that the recommendations of the Senate Committee on Public Works should be supported.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an excerpt, under the heading "Labor Standards," from the House committee's report on the pending bill, and also an excerpt from my own individual views which accompany the report of the Senate Committee on Public Works on the pending bill, suggesting inclusion of these provisions of the Davis-Bacon Act.

There being no objection, the excerpts from the reports were ordered to be printed in the RECORD, as follows:

[From H. Rept. No. 2022 of April 21, 1956]
LABOR STANDARDS

A provision has been inserted in H. R. 10660 to require the Secretary of Commerce, with respect to the initial construction work performed on highway projects on the Interstate System authorized under section 108, to take such action as may be necessary to insure payment of wages at rates not less than those prevailing on similar construction in the immediate locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act.

Since by far the greatest part of the Interstate System, provided for in section 108, will be financed by Federal funds, the committee feels that labor standards normally applicable to Federal construction should also apply to this great arterial system. Such action only has the effect of substantially preserving and affirming rather than extending the long-standing policies of the Congress in matters of Federal expenditure and procurement. Accordingly section 112 of the bill provides for the adoption and acceptance of the prevailing wage principle under the terms and provisions of the Davis-Bacon Act as one of the conditions governing financing and construction of the Interstate System.

The Davis-Bacon Act now applies to all direct Federal construction as well as to contracts for school, hospital, housing, and airport projects constructed with Federal-aid funds. Federal prevailing wage requirements apply presently to highway construction where the Government is the contracting party. A majority of the committee feels that where the Federal Government absorbs 90 percent of the cost, as it does under the provisions of this bill with regard to the Interstate System, Federal prevailing wage requirements should also apply. A difference of 10 percent should not distinguish the situation. This is especially true in light of the fact that the Federal contribution is much less percentage-wise on the other federally assisted programs where Federal prevailing wage requirements apply. In extending the application of this act to highway construction work on the Interstate System, the committee did so with the understanding that all determinations made by the Secretary of Labor will be based on the prevailing wage rates on the same type of work on similar construction in the immediate locality, it being recognized that the prevailing rate of wages in rural areas will generally be less than those in large metropolitan areas. The provisions of section 112 do not apply to projects authorized to be constructed under section 102 of this act. Other Federal standards, such as regulation of the hours of work (relating to working more than 8 hours a day and the payment of overtime for such daily overtime when the total hours worked in any week do not exceed 40) are not specifically made applicable to this construction and no such standards are specified concerning other construction under the bill. A majority of the committee recognizes the applicability of existing regulations because the construction contemplated by the bill is so directly and vitally related to the functioning of an instrumentality or facility of interstate commerce as to be, in practical effect, a part of it, rather than isolated local activity.

In discharging his responsibilities, the Secretary of Labor will have, with respect to the labor standard specified in the bill, the authority and functions set forth in Reorganization Plan No. 14 of 1950, section 2 of the act of June 13, 1934, as amended, section 625, Public Law 725, 79th Congress, 2d session, and section 205, Public Law 815, 81st Congress, 2d session.

[From S. Rept. No. 1965 of May 10, 1956]

INDIVIDUAL VIEWS OF SENATOR RICHARD L. NEUBERGER

The Senate amendment should contain the same provisions to protect wage standards on federally financed road projects, modeled on the Davis-Bacon Act, as are contained in the House bill. If the Government can safeguard wage structures and standards of living of men engaged in erecting hospitals and airports with Federal-aid funds, it is no less important and equitable that these safeguards be used to protect the men who build the Nation's major trunk highways.

Mr. CHAVEZ. Mr. President, I yield 5 minutes to the Senator from New York [Mr. LEHMAN].

The PRESIDENT pro tempore. The Senator from New York is recognized for 5 minutes.

Mr. LEHMAN. Mr. President, I rise to support the amendment submitted by the Senator from New Mexico to the committee amendment.

The amendment of the Senator from New Mexico provides for the inclusion of a requirement that the prevailing wage be paid in connection with construction work performed on highway projects in the Interstate System, as authorized by the pending bill. In other words, the amendment provides for inclusion of the so-called Davis-Bacon Act provision.

Of course the Davis-Bacon Act provision appears in the House version of the bill.

Before inserting section 112—the Davis-Bacon Act provision—in its version of the bill, the House Committee on Public Works heard at length from both the proponents and the opponents of such a provision. A majority of that committee came to the conclusion that the inclusion of such a requirement was wise, justified, and equitable in the interests of preventing workers employed on this program from being exploited. This is what the majority of the House committee said, in part:

Since by far the greatest part of the Interstate System * * * will be financed by Federal funds, the committee feels that labor standards normally applicable to Federal construction should also apply to this great arterial system. Such action only has the effect of substantially reserving and affirming rather than extending the long-standing policies of the Congress in matters of Federal expenditure and procurement. * * * The Davis-Bacon Act now applies to all direct Federal construction as well as to contracts for school, hospital, housing, and airport projects constructed with Federal-aid funds. Federal prevailing-wage requirements apply presently to highway construction where the Government is the contracting party. A majority of the committee feels that where the Federal Government absorbs 90 percent of the cost, as it does under the provisions of this bill with regard to the Interstate System, Federal prevailing wage requirements should also apply. A difference of 10 percent should not distinguish the situation. This is especially true in light of the fact that the Federal contribution is much less percentage-wise on the other federally assisted programs where federally prevailing wage requirements apply.

Mr. President, under both versions of this highway bill, it is proposed to spend in the course of the next several years

many billions of dollars. The impact upon the highway construction industry of the expenditure of these huge sums of money will be tremendous. We must make certain that the impact upon the wages paid to the workers on these projects is not disastrous. We can do that by incorporating in this bill the prevailing wage formula of the Davis-Bacon Act.

As the House report pointed out, we are not attempting or proposing anything new when we incorporate such a provision in a Federal-State grant-in-aid program.

Consider, for example, the hospital survey and construction act, the so-called Hill-Burton Act. That, too, is a Federal grant-in-aid program. The Hill-Burton Act, which operates much as the pending act does, contains a prevailing wage proviso tied to the Davis-Bacon Act.

Mr. President, for the RECORD I wish to read the list of Federal-assistance programs for which the enabling act includes the Davis-Bacon Act provision:

First. The Federal Airport Act.

Second. The School Survey and Construction Act of 1950.

Third. The Hospital Survey and Construction Act.

Fourth. The slum clearance and urban renewal program in the Housing Act of 1954.

Fifth. The National Housing Act.

Sixth. Multi-family rental housing under the FHA.

Seventh. Defense housing.

Eighth. The Community Facilities and Services Act of 1951.

Ninth. The Lease-Purchase Contracts Act of 1954.

Mr. President, we shall not be setting any precedent by including a Davis-Bacon provision in this bill. Indeed, if we do not adopt such a proviso, we shall be going against precedent, inasmuch as the Davis-Bacon Act was enacted in 1931, 25 years ago, and applies to all the programs to which I have referred, in connection with which the Federal Government assists the States in carrying on the work. If we do not include the Davis-Bacon Act provision in the pending bill, we shall be risking the welfare of thousands and thousands of construction workers, who could be employed on this program at depressed wages, 90 percent of which represents Federal dollars.

Mr. President, a Davis-Bacon proviso is an absolute "must" in this bill.

The PRESIDENT pro tempore. The time of the Senator from New York has expired.

Mr. LEHMAN. Mr. President, will the Senator from Tennessee yield additional time to me?

Mr. GORE. Mr. President, I yield 2 additional minutes on the bill to the Senator from New York.

The PRESIDENT pro tempore. The Senator from New York is recognized for 2 additional minutes.

Mr. LEHMAN. I thank the Senator from Tennessee.

Mr. President, for upwards of half a century I have followed wage, labor, and social projects. From my experience not only in the Senate, but also as Governor

of my State, I can testify that every time we have tried to put into the law a provision costing some money to help or to protect the workers we have been met with the argument that the provision would ruin the country and would ruin those who would be affected.

Mr. CHAVEZ. Mr. President, will the Senator from New York yield for a brief observation?

Mr. LEHMAN. I yield.

Mr. CHAVEZ. For the moment let us forget the effect of this provision on human beings—which is the important point—and consider the effect of the provision from a business standpoint. In terms of the purchase of groceries and the purchase of other commodities, what can a man earning \$15 a week buy, as compared with the purchases which can be made by a man who earns \$45 a week? Is not that a valid point in connection with this matter?

Mr. LEHMAN. Certainly the Senator from New Mexico is entirely right. He will recall that when the first minimum-wage law was proposed in the Congress, there was an outcry on the part of employers all over the country; it was said that the enactment of such a measure would ruin the merchants and manufacturers and dealers. But, far from doing that, the enactment of that measure has helped them and has helped the economy of the country tremendously, because it has increased the purchasing power of the workers, in addition to sustaining their standard of living.

The PRESIDENT pro tempore. The time yielded to the Senator from New York has expired.

Mr. CHAVEZ. Mr. President, I yield 5 minutes to the Senator from California [Mr. KUCHEL], a member of the committee.

The PRESIDENT pro tempore. The Senator from California is recognized for 5 minutes.

Mr. KUCHEL. Mr. President, for the life of me I do not see why any Member of the Senate should oppose the pending amendment. The theory of the prevailing wage is not new in America. This is no new-fangled idea which has been dreamed up in the past day, week, month, or year.

More than 25 years ago the Congress of the United States and the President agreed that, so far as Federal construction of buildings was concerned, the wages paid on such construction should be the prevailing wages in the area where the public construction was undertaken.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. KUCHEL. My time is limited.

Mr. LANGER. That was during the administration of President Hoover.

Mr. KUCHEL. Yes.

That area was defined in the Davis-Bacon law of 1931 as the village, town, city, or other political subdivision of the State where the Federal construction was to be undertaken.

This law does not require more wages to be paid than the prevailing wages in the area. It merely provides that, as a minimum, the prevailing wages in the area shall be paid to those working on a public project.

There was a very good reason why this law was placed on the statute books in 1931. I alluded to it yesterday. The late Representative Bacon, of New York, made a speech in which he said that in his congressional district the Federal Government was intent upon building a veterans' hospital, and a contractor from another part of the United States, who was able to pay wages far less than those paid in the area of New York represented by Representative Bacon, underbid the local contractor, imported labor into New York. Thus there was a deleterious effect upon the economy of that particular area, and upon the people of the congressional district represented by Mr. Bacon. The Davis-Bacon Act prevents a recurrence of this in Federal construction.

We are dealing with a \$25 billion Federal construction program for an Interstate Highway System. The House of Representatives, in passing a bill to provide for Federal construction of that system, inserted the provision that the wages paid in the construction of such system should be the prevailing wages in each area where the Interstate System was to be constructed.

I do not believe anyone can quarrel with that kind of theory. Indeed, if we should fail to approve the pending amendment today in the Senate, the Senate would be saying to the Nation, "We are going to permit the expenditure of \$25 billion of Federal money in the construction of an Interstate Highway System, and we do not care what effect the expenditure of that money may have on the economy of people who work for a living in the construction business." I do not believe that Members of the Senate wish to go on record in favor of such a policy. At any rate, I hope they do not.

The criticism has been made that in certain specific instances the Secretary of Labor has misapplied or misinterpreted the Davis-Bacon Act. That may or may not be true.

The PRESIDENT pro tempore. The time of the Senator from California has expired.

Mr. KUCHEL. Mr. President, may I have 1 minute more?

Mr. CHAVEZ. I am sure the Senator from Tennessee [Mr. GORE] will allow 1 minute additional on the bill.

Mr. GORE. Mr. President, I yield 1 minute additional to the Senator from California on the bill.

Mr. KUCHEL. I thank the Senator.

The fact is that this is the legislative branch. We do not administer the law. We write the law. No word of protest has yet been uttered against the theory of laying down the rule that prevailing wages should be paid to those who are employed in construction underwritten by the Government of the United States.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. FULBRIGHT. I was not raising that question. The determination of what is the prevailing wage has been very troublesome under the Walsh-Healey Act. Congress adopted an amendment granting the right of appeal

from the decision of the Secretary. The reason it did so was the question which I have raised. The Secretary has not always shown an impartial attitude. I doubt if he ever will. That is the only point I raise. There is no objection to the principle of the prevailing wage. Does the Senator object to the participation by State officials in the determination of what is, in fact, the prevailing wage?

Mr. KUCHEL. If the Secretary of Labor wished to receive the assistance of State officials in making his own Federal determination as to what constitutes the prevailing wage in a given area, I should not object; but I do want the law to provide that a Federal official, the Secretary of Labor, shall have that responsibility with respect to the \$25 billion expenditure for the Interstate System. To that extent, he would have the same responsibility he has under the law today with respect to the Federal construction of buildings.

The PRESIDENT pro tempore. The time of the Senator from California has expired.

Mr. CHAVEZ. Mr. President, I yield 5 minutes to the Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. Mr. President, I believe the Senator from Oregon and the Senator from California have gone to the heart of the issue. This highway program is to be at least 90 percent federally financed. To all intents and purposes, it is therefore virtually entirely financed by the Federal Government. To say that the States, which are to pay only 10 percent of the cost, are to determine what the wages shall be is, I think, letting the tail wag the dog.

There are a few misconceptions which should be cleared up. One of our colleagues says that the Secretary of Labor would fix the wage. The Secretary of Labor merely finds what the prevailing wage is. He cannot arbitrarily fix wages. He merely determines what the prevailing wages are. Furthermore, under the terms of the Chavez amendment, the wage must be "the prevailing wage for the same type of work, on similar construction in the immediate locality." This is not like the provision in the Walsh-Healey Act, under which it is possible to impose a regional or national minimum. The wage under the pending amendment must therefore be the wage in the immediate locality. According to the Davis-Bacon Act, as revised in 1935, a copy of which I have before me, it must be the wage "in the city, town, village, or other political subdivision of the State." So it is the local prevailing wage, and not a regional or national wage scale.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. FULBRIGHT. Would there be any appeal from the decision of the Secretary of Labor if he were to make an arbitrary decision? Would the State or any individual have the right to appeal from his decision?

Mr. DOUGLAS. The original finding would be made by an examiner, and an

appeal might be taken from the decision of the examiner to the Secretary of Labor, who would make the final determination.

As I understand, the Bureau of Public Roads has made the complaint that 14 erroneous rulings were made. I am informed that in the 7 years covered by this complaint, the Department of Labor made findings in approximately 100,000 cases, and therefore made only 1 error out of approximately every 7,000 cases, or in approximately one one-hundredth of 1 percent of the cases. Those cases were appealed, and in 7 of the cases the original finding was reversed.

So there is an administrative procedure by which initial errors may be corrected.

Mr. FULBRIGHT. The Senator has not answered my question. Is there any appeal from the determination of the Secretary of Labor as to what is the prevailing wage?

Mr. DOUGLAS. I think there should not be a final appeal outside of the administrative agency.

Mr. FULBRIGHT. Then the answer is that there is no appeal.

Mr. DOUGLAS. There is a provision for an appeal within the Department of Labor. However, there is not a divided responsibility between the Department and other agencies. In my judgment, there should not be.

This provision does not impose the prevailing wage in the building trades on construction work. The Chavez amendment provides it shall be the prevailing wage on similar construction. Therefore, the building scales will not be transferred to the construction of highways. It will mean that only the highway scales will be applied to the construction of highways. That is extremely important.

I do not believe we will have any great trouble so far as the rates of skilled labor are concerned. Such labor is in scarce supply. The men who operate the bulldozers and the scraping machines and the road-laying machines will be in such scarce supply that they will be able to get a decent wage. The trouble will come with the unskilled labor or the semiskilled labor. In that category there is a great danger that the large contractors will hire men from across the border in Mexico or hire labor from low-wage areas and take them into regions which pay a higher wage scale for common labor, and thus undermine the wage scale and the standard of living of workers in those communities. That is why the people of the country need the protection of the Chavez amendment.

The PRESIDENT pro tempore. The time of the Senator from Illinois has expired.

Mr. GORE. I yield 5 minutes to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I should like to associate myself with the remarks of the Senator from Illinois [Mr. DOUGLAS] in support of the amendment offered by the Senator from New Mexico [Mr. CHAVEZ].

This proposed highway program provides for the expenditure of billions of

dollars of Federal money. It seems to me that no hardship would be worked on any locality or on any State by providing that the provisions of the Davis-Bacon Act shall apply to the road construction work under the bill.

Although it is possible that the application of the act might make the construction of roads more expensive, yet, I do not believe that the Federal Government should be in the position of forcing wages in an area down below the wages prevailing in that area on similar projects.

Therefore, in view of the expenditure of such a huge amount of public money, which will affect business and labor in all parts of the country, I believe that it is definitely in the public interest that the Federal Government establish the policy in this bill, as it has in so many other bills since the passage of the Davis-Bacon Act, that those who work on these projects shall be paid the wages which are prevailing in the respective areas.

It seems to me that it is in the interest of every community and of every State and definitely in the public interest. Therefore, I hope the Senate will accept the amendment offered by the Senator from New Mexico.

I yield back the remainder of my time.

Mr. GORE. Mr. President, I yield 5 minutes to the Senator from Indiana.

Mr. CAPEHART. Mr. President, I have a number of friends in the road-contracting business who do not agree with me on this subject. I certainly respect their position, and I know they respect mine. My analysis of the subject is made purely from a practical standpoint. We are talking about building roads, which require a contractor to bid in advance or to calculate his cost in advance, and to submit his bid under sealed conditions. In that situation someone must predetermine the wage rate. Someone must predetermine the labor cost of a project. The contractor has to do it. If every contractor uses different figures, a bad situation results.

The amendment calls for the prevailing wage rates. As a practical matter, that is exactly what each contractor will use in filing his bids. He will file his bid based upon the prevailing wage rates, and he must ascertain those rates. It is the same as the condition which prevails under the Walsh-Healey Act with respect to manufacturing something for the Federal Government. The Federal Government does have manufactured for it billions and billions of dollars worth of goods. A contractor must comply with the Walsh-Healey Act.

We are talking about spending \$24 billion of Federal money, and the amendment would require contractors to comply with Davis-Bacon Act provisions by making them pay the prevailing wage rate in a community.

I do not understand how that provision will hurt any contractors or increase the cost of the roads. I do not understand how that will happen if the Secretary of Labor uses the prevailing wage in a community.

How else can a contractor bid on a job except by using the prevailing wage rates

in a community? He is not going to be foolish enough to bid on the job by using a lower rate than the prevailing wage rate. He will not be foolish enough to bid on a job by figuring on paying higher wages than the prevailing wage rates. If he does, he will lose the contract to one of his competitors. If he pays less than the prevailing wage, he may not be able to complete his contract, and may possibly lose money. I do not understand how anyone can be hurt by applying the provisions of the Davis-Bacon Act to this road program. I do not believe it will increase the cost of building the roads.

As a matter of principle, perhaps something could be said. That is something else, Mr. President. A question may be raised as to whether the Federal Government should be doing this sort of thing. However, unfortunately, that decision was made, not by this Congress, but by the Congress in 1932. That is when the Davis-Bacon Act was passed. That is when the decision was made. We are already confronted with the situation so far as the Walsh-Healey Act is concerned in the construction of buildings.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. CHAVEZ. I thank the Senator for yielding. Suppose we forget all about the Davis-Bacon Act and suppose we forget all about the Walsh-Healey Act. Suppose we consider only the building of roads. The only authority we have for giving any money to Arizona or to Indiana or to New Mexico or to any other State is contained in a very short provision in the Constitution of the United States to the effect that Congress shall have power to build post roads. That is our only authority for spending the billions of dollars we are asked to spend.

Whether it is good policy to pay the prevailing wage, as I think it is, is one thing; but whether we will build the roads is another thing completely. I hope the amendment will be adopted.

Mr. CAPEHART. I believe we ought to provide the means whereby anyone can take an appeal from a decision of the Secretary of Labor, in the event the Secretary sets other than the prevailing wage rate in a community. I certainly agree that that ought to be done.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. FULBRIGHT. That is the point I was going to ask the Senator about. I believe an appeal process should be provided so that an appeal may be had from an arbitrary ruling of the Secretary of Labor. If that were done, it would go a long way toward making the amendment acceptable in this kind of legislation.

Mr. CAPEHART. I believe an appeal ought to be provided.

Mr. FULBRIGHT. That kind of provision was added to the Walsh-Healey Act.

Mr. CAPEHART. That is correct.

Mr. FULBRIGHT. I hope the sponsors of the amendment will accept an

amendment to provide for a judicial appeal from the determination by the Secretary of Labor of the prevailing wage.

Mr. CAPEHART. I agree with the able Senator, because I believe a citizen ought to have the right of appeal to the Government on any matter, including this one.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. KENNEDY. Under the Fulbright amendment to the Walsh-Healey Act, as a result of a decision in 1952, the question was in the courts for more than 3 years, with various decisions, all the way up to the Supreme Court being rendered. Matters were more or less in escrow during that time. Whether such a situation would be bad or not, I doubt that it could operate successfully in the case of a contractor doing some work on a highway and then moving on.

Mr. CAPEHART. I believe the right of appeal should apply to both labor and to a contractor. If labor believes it is not getting the prevailing wage, it should have the right to appeal.

Mr. FULBRIGHT. Of course.

The PRESIDENT pro tempore. The time of the Senator from Indiana has expired.

Mr. GORE. Mr. President, I yield 2 additional minutes to the Senator from Indiana.

Mr. LEHMAN. Mr. President, the Senator from Virginia [Mr. BYRD], who is chairman of the Finance Committee, has quoted many of the State highway commissioners in order to show that the inclusion of the provisions of the Davis-Bacon Act would merely mean an increase in the cost of labor to the extent of 25 or 30 percent or possibly even more. Is not that a clear indication that those communities are not paying the prevailing rate of wages?

Mr. CAPEHART. If the Senator is asking me that question, my answer is that 99.9 percent of the contractors are paying the prevailing wages.

Mr. LEHMAN. Then, how can the Senator account for the tremendously high figures which the distinguished chairman of the Finance Committee has quoted?

Mr. CAPEHART. I did not hear those figures, so I do not care to make any comment at all on that question.

Mr. FULBRIGHT. Mr. President, will the Senator from Indiana yield?

The PRESIDENT pro tempore. The time of the Senator from Indiana has expired.

Mr. GORE. Mr. President, I yield 2 additional minutes to the Senator from Indiana.

Mr. FULBRIGHT. The Senator from "Boston" called attention to the number of appeals under the Walsh-Healey Act. I think there was a misapplication of the law. The arbitrary rulings of the Secretary of Labor did bring forth considerable complaint and attack upon the reasonableness of his rulings. There is no question that if the Davis-Bacon provision is applied to the bill it will affect the highway department in every State, and, under this bill, which involves such a large program, a contractor cannot

pay 1 rate on 1 job and a different rate on another job. There should be some provision for appeal to the judicial authorities in order to avoid arbitrary rulings. Under the existing law, if the Secretary of Labor determines that the wage should be \$5, there is no way to challenge his ruling.

Mr. CAPEHART. I think there should be provision for an appeal for both labor and the contractor. If the wages are too low, labor should have a right to appeal, and if the wages are too high, the contractor should have a right to appeal.

Mr. FULBRIGHT. I object to an arbitrary determination of what is the prevailing wage.

Mr. CAPEHART. I agree with the distinguished Senator.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. GORE. Mr. President, I yield 2 additional minutes.

Mr. DOUGLAS. The Senator from Arkansas inadvertently referred to the Senator from Massachusetts [Mr. KENNEDY] as the Senator from Boston. I am sure he did not intend to do so. We are representatives of States and not of the localities in which we live. I should be very proud to live in the city of Boston, but I am even more proud to come from the city of Chicago. I think the Senator from Arkansas graces not only his own State but the country as a whole, and I think the Senator from Massachusetts does the same. I shall not refer to the Senator from Arkansas as the Senator from Fayetteville, and I hope that hereafter the Senator from Arkansas will also refer to his colleagues in the correct manner. [Laughter.]

Mr. GORE. Mr. President, I yield 2 minutes to the distinguished Senator from South Carolina [Mr. JOHNSTON].

Mr. JOHNSTON of South Carolina. Mr. President, I should like to ask the Senator from New Mexico a couple of questions.

I notice in his amendment that it is left to the Secretary of Commerce to "take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors on the initial construction work performed on highway projects on the Interstate System authorized under section 102 of this title shall be paid wages at rates not less than those prevailing on the same type of work on similar construction in the immediate locality as determined by the Secretary of Labor in accordance with the act of August 30, 1935, known as the Davis-Bacon Act."

This amendment does not mean that labor will receive the same wages throughout the United States, does it?

Mr. CHAVEZ. It leaves the determination to the individual locality in the individual State.

Mr. JOHNSTON of South Carolina. The Senator has tied it down to a little more than cities. The amendment refers to "similar construction." That means roadbuilding, does it not?

Mr. CHAVEZ. That is correct.

Mr. JOHNSTON of South Carolina. In other words, the contractor will pay the prevailing wages paid in any particu-

lar State in the locality where the road is being constructed?

Mr. CHAVEZ. The determination of wages would be in the locality where the road is to be built. It would be a local matter, purely and simply. With reference to a road 30 miles in length, constructed from one city to another, the prevailing wages in the area will prevail.

Mr. JOHNSTON of South Carolina. It is being left to the Secretary of Commerce to take the action, under the amendment. Would it not be possible for the Secretary of Commerce, in cases where there was a disagreement as to wages paid in a particular locality, to sit down with the Secretary of Labor and iron out the differences?

The PRESIDENT pro tempore. The time of the Senator from South Carolina has expired.

Mr. GORE. Mr. President, I yield 2 additional minutes to the Senator.

Mr. CHAVEZ. Mr. President, the reason for the provision is that there had to be some responsibility in the Federal Government. The committee felt that the responsibility should be with the Secretary of Labor, who handles labor standards, minimum wages, and everything pertaining to labor. We have to place the responsibility somewhere.

Mr. JOHNSTON of South Carolina. Under the Senator's amendment, with reference to "similar construction," which is highway construction, is it not true that the Secretary of Labor will take up with the highway commission and also with the county commissioners the question involved in a particular locality, and ascertain what are the prevailing wages?

Mr. CHAVEZ. The same procedure is followed as in the case of the allotment of a highway in any State. It is taken up with the State highway commission. As to urban roads, it is taken up with municipalities, in my State or in any other State, and in connection with counties it will be taken up with the county commissioners.

Mr. JOHNSTON of South Carolina. To ascertain what wages are being paid at the present time?

Mr. CHAVEZ. How can the Secretary of Labor say what is the prevailing wage in a country town in Montana, for instance?

The PRESIDENT pro tempore. The time of the Senator from South Carolina has expired.

Mr. GORE. Mr. President, I yield 2 additional minutes to the Senator from South Carolina.

Mr. FULBRIGHT. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. FULBRIGHT. Mr. President, would the Senator from New Mexico accept an amendment providing for appeals?

Mr. CHAVEZ. We are engaged in building roads. I do not want to tie up a road bill with an appeal by some lawyer in any State in the Union. I do not think I would accept such an amendment.

Mr. DOUGLAS. Mr. President, will the Senator from South Carolina yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. DOUGLAS. Is it not true that the Senator from Arkansas was successful in getting a similar amendment incorporated into the Walsh-Healey Act, and the result was that his amendment tied up action for 3 or 4 years, and that the present proposal would also result in delaying the road program?

Mr. CHAVEZ. Please believe me, America is road conscious. Americans want roads. Every little country town, every motel owner, every hotel owner, every traveler—and the American people are tourists at heart—is asking for roads.

Mr. FULBRIGHT. Would the Senator accept an amendment providing for a board of arbitration, one side represented by the Secretary of Labor and the other by the State highway department, in a State where a grievance might arise?

Mr. CHAVEZ. I should like to have Congress represented. I would not want to leave it all to the States, or to the administration in Washington, but I should like to have Congress included.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from Arizona [Mr. GOLDWATER].

Mr. GOLDWATER. Mr. President, I have been listening to the debate with great interest. I should be dishonest if I did not say that there are many serious questions in my mind as to the advisability of acting favorably upon this amendment. I feel that we are treading on very dangerous ground.

The argument has been advanced that because Federal funds are involved in the bill, therefore there should be Federal control. We speak glibly about Federal funds and the highways being paid for 90 percent by Federal funds, but who provides those funds? They come from the States and the citizens of the States; they do not come from any other source.

When the suggestion is made that the Davis-Bacon Act be adopted for the roadbuilding program, that is saying, in effect, that we are going back to the taxpayers for more than \$25 billion.

I want to advance the argument a little further. While I realize that it has not been an argument advanced chiefly by the proponents, nevertheless it follows that if the Federal Government becomes involved in the control of wages in the construction of the Interstate Highway System, it will not be long before the Federal Government will be in control of wages at all levels. That is the first question which enters my mind, and it poses a most serious danger to me. How long will it be until the philosophy prevails in the Federal Government that the Federal Government under one man—not a tribunal, not a quasi-judicial body, but one man—can dictate to the country the wages which shall prevail.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. KUCHEL. Is my friend acquainted with the fact that it was Herbert Hoover who signed the Davis-Bacon Act 25 years ago?

Mr. GOLDWATER. I may say to the junior Senator from California that I do not care who signed it. I think it would be a dangerous precedent to include it in the bill.

Mr. KUCHEL. Mr. President, will the Senator further yield?

Mr. GOLDWATER. I am glad to yield.

Mr. KUCHEL. Does my friend object to the payment of prevailing wages in the field of construction in areas where Federal construction is contemplated?

Mr. GOLDWATER. Oh, Mr. President, my friend from California knows me well enough to understand that I am not against prevailing wages; I am against having the Federal Government come into the picture and decide what the wages shall be at any location. The Senator knows that.

Mr. KUCHEL. If the Senator from Arizona favors prevailing wages, then he ought to be in favor of the amendment.

Mr. GOLDWATER. If the Senator from California had read more closely the hearings in the House—

Mr. KUCHEL. I participated in those hearings.

Mr. GOLDWATER. Is the Senator from California a Member of the House?

Mr. KUCHEL. I participated in the Senate hearings.

Mr. GOLDWATER. I know the Senator from California is a remarkable man, but to be a Senator and a Representative at the same time is a very difficult task, even for a Californian.

Mr. KUCHEL. The highways of Arizona unquestionably are paid for in part from tax moneys which the people of California contribute, and I am glad they do. But, to answer the Senator's question, I did read the entire hearings in the House of Representatives.

Mr. GOLDWATER. Then the Senator will recognize that the prevailing wages already apply in 30 States. In 25 States there are union contracts. The problem of applying the prevailing wages will not be so difficult, if we would only leave the matter in the hands of the State highway commissions.

Mr. KUCHEL. If 30 States apply the prevailing-wage standard, what is the objection to writing the provision into the Federal law?

Mr. GOLDWATER. The Senator from California knows me well, so undoubtedly he knows that I believe in an old southern concept that has apparently been abandoned by the Democratic Party. That concept is States' rights.

I hope the Senator from California will now let me continue, because I have only 5 minutes, and I want to go into some other questions.

Mr. MARTIN of Pennsylvania and Mr. LEHMAN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Arizona yield; and if so, to whom?

Mr. GOLDWATER. I have never been so popular. I do not know to whom to yield first. I yield first to the Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. Does not the Senator from Arizona feel that if the Davis-Bacon provision were included in the bill it would probably be

only 2 years until it would be necessary for Congress to raise taxes in order to construct the highways under the Federal program?

Mr. GOLDWATER. I definitely believe that. I agree with the Senator from Pennsylvania.

I might also mention one fact which I neglected to mention to my good friend from California, namely, that this is the first attempt which has been made to apply the Davis-Bacon Act to State agencies. That is the root of my objection.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator further yield?

Mr. GOLDWATER. I have only a few minutes. I shall be happy to yield further if the distinguished minority leader will yield me additional time.

The PRESIDENT pro tempore. The time of the Senator from Arizona has expired.

Mr. KNOWLAND. I yield the Senator from Arizona 2 minutes on the bill.

Mr. MARTIN of Pennsylvania. Is it not entirely impractical to say that the prevailing wage shall be applied to an interstate highway contract, but to have some other wage rate applied to another road contract in an adjacent community?

Mr. GOLDWATER. I think the Senator from Pennsylvania is correct in that approach.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. GOLDWATER. I will yield for a short question.

Mr. LEHMAN. If the Senator from Arizona is accurate in his statement that the Government is already applying the prevailing wage provision, how does he account for the figures given by the chairman of the Committee on Finance, which indicate that the application of the Davis-Bacon provision would increase the cost of labor in the various States by 25, 30, or 40 percent, and in some cases even more than that?

Mr. GOLDWATER. I shall be glad to read in the RECORD tomorrow the statement of the Senator from Virginia; and after I have come to some conclusion from a reading of the statement, I shall be glad to talk to the Senator from New York.

Mr. President, some other questions have come to my mind in connection with the debate. Is it fair for a contractor to be forced, without recourse, to change the wage rates after he has bid to get a job? This road program will not be accomplished in 12, 24, or 36 months. Suppose a contract were let to a contractor whose bid, made in good faith, included the existing wage rates. Then suppose the Secretary of Labor, under pressure—because the pressure will be there—says that the prevailing wage rates, which are higher, shall apply. What will then happen? More money will be appropriated for the road program, without its having been contemplated in the original instance.

Another question: Should Congress delegate to an administrative agency great authority over the people without the usual protection of the courts? That subject was argued on the floor this

morning, and it has been argued before. I maintain that ours is not a government of men; it is a government of law. The dangerous tendency in this country since 1932 has been toward a government of men, not a government of law. So I look on the proposal with great fear in my heart, because if such authority can be delegated to an administrative agency, it will not be long before other authority will be delegated, authority which the American people cherish. The American people look to the law and not to men for redress.

The question has come to my mind, since this is a labor matter. Why did not the amendment come before the Committee on Labor and Public Welfare? Why was a labor matter considered by the Committee on Public Works?

Then there is an important question with which my good friend from California [Mr. KUCHEL] might be concerned, namely, Why has Congress in the past 40 years of highway programs not had wage fixing?

Mr. KUCHEL. Mr. President, will the Senator yield, so that I may answer his question?

The PRESIDENT pro tempore. The time of the Senator from Arizona has expired.

Mr. KNOWLAND. I yield 2 additional minutes to the Senator from Arizona.

Mr. KUCHEL. Let the RECORD be perfectly clear. Never before in history has Congress had before it a bill to provide that the Federal Government would undertake the construction of a given part of the highway system of America. Up to this time the Federal Government has apportioned moneys to the States for that purpose. Now Congress is asked to provide for a 90 percent minimum and a 95 percent maximum of the cost of constructing the Interstate Highway System in America. That is the reason why, for the first time, Senators on the floor, not in committee, are urging that the prevailing wage standards be included in the bill.

Mr. GOLDWATER. I am sorry to learn that my good friend from California has been lulled by the prospect of Federal money. The Federal Government is not going to build the road system. The individual State highway commissions are going to build it; 90 percent of the money which the Senator talks about will come from the pockets of the taxpayers who live in the States; they do not live in the District of Columbia.

Mr. KUCHEL. If a State expects to use 90 or 95 percent of Federal money, it should comply with the standards set by the Federal Government.

Mr. GOLDWATER. There is the word "comply" again.

Mr. KUCHEL. A State will do it with my vote. I want the State to comply with the prevailing wage law.

Mr. GOLDWATER. I understand that the junior Senator from California believes explicitly in the amendment. I know there is nothing I can say which will argue him out of his position. So possibly I am wasting my time.

Mr. KUCHEL. No, because it is always a pleasure to listen to the junior Senator from Arizona, although sometimes he too has a capacity for confusion.

Mr. GOLDWATER. I believe the junior Senator from California has my capacity for confusion mixed up with my muleheadedness when it comes to a question of individual and States' rights, higher taxes, and loss of individual control in this country.

Mr. NEUBERGER. Mr. President, will the Senator yield for a question?

Mr. GOLDWATER. I am going to yield the floor.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the junior Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, I do not think anyone is advocating that the bill or any provision proposed to it is a wage-cutting proposal. I do not think the issue is whether or not this amendment, if adopted, is really going to raise wages. Certainly we do not want to cut wages. But there are two questions which ought to be settled.

First, if wages are going to be determined, are they going to be determined with some certainty, so that a contractor will know what he is bidding on when he bids?

The second question is whether or not the determination will be made by a person who is best equipped or by an agency which is best equipped to determine the prevailing wage for highway work in a given locality.

I was hoping the distinguished chairman of the committee, who is the author of the amendment, would be on the floor, because I wanted to ask him if he would agree to adding to his amendment the following sentence:

Such prevailing wages shall be predetermined and shall be set out in each project advertisement for bids and each proposal form and shall also be made a part of the contract covering such project.

The reason why I think that kind of a provision ought to be in whatever language is adopted is that, unless there is a predetermination of the wages, and the contractor knows in advance, when he gets ready to bid he either bids too high, in order to protect himself against a wage rate that he does not know about, or he bids too low, and then gets into trouble if he gets the contract.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I shall yield in a moment.

I recently had occasion to see two illustrations of the working of the Davis-Bacon wage determination. In one instance a contractor on a reclamation project bid on a dam, and he underbid the other bidders by more than 25 percent. Now the contractor is in trouble, is about to go broke, and faces severe penalties because he is not able to complete the job on time, because he did not allow enough for the wage which the Secretary of Labor determined should be paid on the job.

In another case the contractor got the job, and he is now refusing to pay the

wage demanded because of a difference of opinion as to the classification of a certain type of work, that of truck driver. The labor people in that area are up in arms because he is refusing to pay. He is standing on some sort of determination or definition made somewhere else.

I say a contractor is entitled to know in advance what wage rate he is going to pay.

My second point is that I think the determination should be made by the agency which is best fitted to determine the going wage on highway work in a given locality.

Mr. President, I am hopeful we shall not have to choose between no determination of wages and a determination of wages. I think if there could be before the Senate an opportunity to have a predetermined wage rate settled by the agency best fitted to determine the going wage rate in a given locality, we could get somewhere.

I had understood that an amendment would be offered whereby the determination would be made by the proper State agency, and in advance. The State agency is the one which lets contracts for secondary, primary, and urban roads. It is the agency which is best fitted to know what the going wage rate is in a given locality. The amendment which I would vote for would be one which would provide that the State highway agency should make the determination, and make it in advance, and announce it when the bids were advertised. Then a contractor would know what rates he would have to pay, and all contractors would bid on an equal basis.

Mr. President, I understand the chairman of the committee is engaged in a telephone conversation. When he returns to the Chamber, I shall ask him whether he will consider adding to his amendment the language which I have suggested.

I wonder if I might now have the attention of the Senator from Tennessee.

The PRESIDENT pro tempore. The time of the Senator from South Dakota has expired.

Mr. CASE of South Dakota. May I have 1 more minute?

Mr. GORE. I yield 2 additional minutes to the Senator from South Dakota.

Mr. CASE of South Dakota. I wonder what the Senator from New Mexico would think about adding the following language to his amendment:

Such prevailing wages shall be predetermined and shall be set out in each project advertisement for bids and each proposal form and shall also be made a part of the contract covering such project.

I am told determinations at the present time are made for 90 days at a time. Any contractor working on a road project which will run for a long time cannot know what he will be up against if a new wage determination is made after 3 months.

Mr. CHAVEZ. Mr. President, I should like to agree with the Senator from South Dakota, but, from my own personal experience in my home State, not only with contractors, but with the highway commission—and we build a lot of roads in my home State—

The PRESIDENT pro tempore. The time of the Senator from South Dakota has expired.

Mr. GORE. Mr. President, I yield 2 additional minutes to the Senator from South Dakota.

Mr. CHAVEZ. I would say the language suggested would be surplusage, so far as the amendment is concerned. I reluctantly disagree with my good friend. I cannot take his suggestion.

Mr. CASE of South Dakota. The Senator certainly feels that a contractor should know what the wage rates are going to be, does he not?

Mr. CHAVEZ. He knows what they are. That is why he bids.

Mr. CASE of South Dakota. But he does not know what determination will be made in Washington 3 months after the contract starts. I was talking this morning with officials in downtown Washington, and I was told that wage determinations are good for 90 days. How can a contractor bid if a wage rate is changed after 90 days?

Mr. CHAVEZ. He certainly does.

Mr. CASE of South Dakota. He takes a chance.

Mr. CHAVEZ. If the Senator from South Dakota will examine the record and the history of contractors in road bidding in South Dakota, he will learn that there is never a shortage of bidders.

Mr. CASE of South Dakota. I may say that sometimes we are short of bidders. A short time ago in my State a contract was turned down because only two bidders tried to get a contract, and it was felt it was not a representative bid.

There are two contractors I know of operating under the Davis-Bacon Act, one of whom is going broke and facing penalties because he did not allow enough for labor costs. Another is in trouble with the labor unions because he is not paying what they think should be paid.

It seems to me there should be advance determination by the agency which best knows what the going wage rate is in contract work.

Mr. CHAVEZ. If a contractor does not realize that he must take into consideration the wages he will pay his men, how much cement is going to cost him; how much gravel is going to cost him; how much tractors are going to cost him; how much bulldozers are going to cost him, he does not deserve the bid.

The PRESIDENT pro tempore. The time of the Senator from South Dakota has expired.

Mr. KNOWLAND. Mr. President, I yield 1 additional minute to the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, in conclusion, I should like to say that, of course, the contractor tries to find out, but he cannot know because he does not know what the officials in Washington are going to determine what is the prevailing wage 90 days or 120 days or 180 days later.

I hope Senators will have an opportunity to vote for some specific language which provides for predetermination of the wage rates and for determination by the agency which best knows what the

prevailing or going rate is on road work in the locality where the job is to be prosecuted.

Mr. CHAVEZ. Mr. President, with the general idea of having the locality make the determination, I agree with the Senator; but I think that in a Federal project there should be some Federal responsibility finally to conclude the determination.

The PRESIDENT pro tempore. The time of the Senator from South Dakota has expired.

All time on the amendment has expired.

Mr. KNOWLAND. Mr. President, I yield myself 5 minutes on the bill. I rise in opposition to the amendment offered by the Senator from New Mexico which proposes to apply the Davis-Bacon Act to this highway bill. There are a number of facts which I think the Senate should keep in mind.

First. The contracts will be awarded by the States and the States will have primary responsibility with respect to proper performance of the work.

Second. Further Federal encroachment upon State functions is undesirable. The constitutional authority of the State to deal with matters within its own borders should be respected.

Third. The States are fully capable of making accurate wage determinations. State agencies are more familiar with wage and employment conditions within the State than a Federal agency in Washington, far removed from the scene.

Fourth. It cannot be argued that the State agencies would determine wage rates lower than those actually prevailing. Insistence upon Federal wage determinations implies a lack of confidence in the integrity of the responsible State agencies.

Fifth. A frequent source of complaint in the past has been that wage determinations by the Federal Government tend to follow the wage structures in the metropolitan areas and to extend these metropolitan wage rates into nonurban and rural areas.

Sixth. In many instances work will be simultaneously performed in the same locality on construction of interstate highways and also upon State primary, secondary, and urban highways and streets. Federal wage determinations for the interstate construction would necessarily affect labor costs on the other types of road construction.

Seventh. If the Davis-Bacon Act is made applicable to the Interstate System now, it will ultimately be made applicable to the entire Federal-aid highway system.

Eighth. Wage determination decisions under the Davis-Bacon Act are not subject to any review, as has been ably pointed out by the distinguished Senator from Arkansas [Mr. FULBRIGHT]; thus, there is no check upon the authority of the administrative agency making the determinations. In direct contrast, State agencies making wage determinations would be responsible to the highest State officials and, in most instances, to the State courts.

Ninth. Inclusion of the Davis-Bacon Act in the highway bill would also result in placing enforcement functions

in the Federal Government as provided under Reorganization Plan No. 14, 1950 (5 U. S. C., sec. 1332-15). This would mean that the Federal Department of Labor would have authority to conduct compliance inspections on work under State contracts, make nonreviewable findings, and issue orders requiring State agencies to cancel contracts, withhold contractor's payments, and apply other types of sanctions.

Tenth. Federal wage determinations involve delays, redtape, and complications which would impede the progress of the interstate highway program.

Eleventh. When the interstate highway construction program reaches full stride, upward of 10,000 contracts will be awarded each year. The making of Davis-Bacon wage determinations for all these contracts would involve a very substantial expense to the Federal Government, since a large administrative staff would be necessary to make these determinations and to maintain inspections for compliance with the determined rates.

Twelfth. The Hoover Commission, after an exhaustive and impartial study, recommended that the Federal wage determination provision in a comparable statute, the Federal Airport Act, should be changed to allow State governors or their designees to make the prevailing wage determination in order "to improve the operation of the Federal-aid program and to eliminate certain sources of discord in intergovernmental relationships."

Thirteenth. In planning the Interstate Highway System each State had submitted its estimate of the cost of constructing its portion of the system. These estimates were based upon labor costs prevailing within the State. The inclusion of a provision for Federal wage determination could throw these estimates out of line and require substantial upward revision.

Fourteenth. Virtually all State highway officials—as outlined earlier today by the distinguished senior Senator from Virginia [Mr. BYRD]—are opposed to inclusion of a Federal-wage-determination provision in this bill.

Mr. President, I have sent to the desk an amendment which I ask to have read for the information of the Senate.

The PRESIDENT pro tempore. Without objection, the amendment will be stated.

The LEGISLATIVE CLERK. On page 49, in line 25, it is proposed to insert the following:

SEC. 117. All laborers and mechanics employed by contractors and subcontractors on the initial construction work performed on highway projects on the Interstate System authorized under section 102 of this act shall be paid wages at rates not less than those prevailing on the same type of work in the immediate locality. Such prevailing wages shall be predetermined by the State highway department or other proper State agency, and shall be set out in each project advertisement for bids and each bid proposal form, and shall also be made a part of the contract covering each project.

Mr. KNOWLAND. Mr. President, I desire to call this amendment to the attention of both the acting majority

leader and the distinguished Senator from New Mexico [Mr. CHAVEZ].

The PRESIDENT pro tempore. The time of the Senator from California has expired.

Mr. KNOWLAND. Mr. President, I yield myself 5 additional minutes on the bill.

The PRESIDENT pro tempore. The Senator from California is recognized for 5 more minutes on the bill.

Mr. KNOWLAND. Mr. President, in view of the fact that the distinguished Senator from New Mexico has his own amendment pending, and at the desk, as an amendment to the committee amendment, my amendment would be an amendment in the third degree. So the only parliamentary opening I have for submitting my amendment would be to obtain unanimous consent to have my amendment included as a part of the amendment of the Senator from New Mexico—with the result that the prevailing wage in the locality would be required by the authorities, as I have outlined.

Mr. President, I hope what I have proposed can be done.

Mr. CHAVEZ. Mr. President, the Senator from California knows that no Member of the Senate respects him more than I do. However, it appears that we have more faith in the Secretary of Labor and in the administration than does the Senator from California.

So, Mr. President, I shall have to object.

Mr. KNOWLAND. Mr. President, it is not a question of my having faith in any one individual. I believe in a government of laws, not a government of men. I believe that the principle of States' rights is important. I believe that if we once open the door in this way, the Senate and the country will live to regret having taken such action.

There is room for an honest difference of opinion. I greatly respect the Senator from New Mexico.

Since I have been denied unanimous consent to have my amendment included as a part of the amendment of the Senator from New Mexico, I will say to him that the only parliamentary alternative which ultimately will be available to me, under the rules of the Senate, will be to move that his amendment be tabled, so that I may offer an amendment putting in the hands of the State authorities, rather than concentrating in Washington, the power to determine the prevailing rates. I do not intend to make that motion now, because it would foreclose debate. I understand that the senior Senator from Florida [Mr. HOLLAND] wishes to speak on the bill.

However, I felt that in fairness—as I have tried to deal with not only the Senator from New Mexico, but also all other Members of the Senate—I wished to point out in advance that my amendment is subject to a point or order, in that it would be an amendment in the third degree.

Mr. CHAVEZ. Mr. President, the amendment of the Senator from California has been read. Even before I object to having his amendment taken up, I would have no objection whatsoever to having the Senator from California dis-

cuss the amendment, if he wishes to do so.

Mr. KNOWLAND. I have discussed it briefly before, and at the proper time I shall discuss it again.

If the Senator from Florida would like to have 5 minutes, I can yield to him 5 minutes on the bill.

Mr. HOLLAND. Mr. President, I appreciate the courtesy of the distinguished minority leader, but I prefer to have a little more time.

Therefore, I now move that the bill be recommitted, in order that I may have somewhat more time to discuss the bill as I see it.

The PRESIDENT pro tempore. The Senator from Florida is recognized for 30 minutes.

Mr. HOLLAND. Mr. President, in the first place, let us remember that the amendment of the Senator from New Mexico [Mr. CHAVEZ] does not follow out the wishes of the Senate Committee on Public Works, but, instead it constitutes a change in the bill from the form in which it was reported by the Senate Committee on Public Works.

I think my friend, the distinguished Senator from New Mexico, may have overlooked that fact, in the statement he made, a few minutes ago, to the effect that the members of the Senate Committee on Public Works had greater confidence in the Secretary of Labor than other Senators seemed to have. The fact is that last year the committee so ably headed by the senior Senator from New Mexico included this amendment as a part of the bill it reported; but last year the distinguished Senator from New Mexico himself, along with other Senators, moved to strike out that provision of the bill. I think the committee showed greater wisdom this year, in that it eliminated this provision, or at least reported the bill without including this provision.

The pending amendment of the Senator from New Mexico seeks to include in the bill reported by the committee a provision which the committee itself did not see fit to include in it. So we are being asked to override an able committee of the Senate, by means of adoption of the pending amendment. We are also being asked to override the philosophy relative to the Federal-aid road program which has prevailed ever since the time when that program was created, so usefully, so many years ago.

At that time the control with respect to important questions of policy under the Federal-aid road program was left in the States, and in the State highway departments. At the time of the enactment of the Davis-Bacon Act that fact was recognized by the noninclusion in that act of any provision which would have made it applicable to any part of the Federal-aid road system.

Senators who have insisted—and I have heard several do so mistakenly on the floor today—that we are trying to change the Davis-Bacon Act are exactly wrong in that statement, because the Davis-Bacon Act, from its beginning, has been addressed solely to projects which are completely constructed by the Federal Government, and projects of certain kinds. The Federal-aid road

program has always been unaffected by it, and it is now unaffected by it. The pending amendment seeks not only to depart from the judgment and considered expression of the Committee on Public Works, but also seeks to engraft a very important change upon the Davis-Bacon Act and a very important change upon the Federal-aid road program, both of which, since their respective beginnings, have failed to apply any such philosophy to the construction of projects under the Federal-aid system as would give an officer sitting in Washington, sometimes thousands of miles away, the control and regimentation which would result if this amendment were adopted.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield only for a question. My time is limited.

Mr. LEHMAN. I wonder if the Senator from Florida would include in the category which he has mentioned, of purely Federal functions, operations under the Hill-Burton Act.

Mr. HOLLAND. The point I am making is that, with reference to the Federal aid road program, which I think is the finest example of Federal-State cooperation we have, consistently, from the very beginning, those who supported the Davis-Bacon Act in its inception, and all the way through, have, by their inaction in this field—and sometimes by their action, as was illustrated last year on the floor of the Senate—declined to apply the philosophy of Federal regimentation and control to any part of the Federal aid road program.

Mr. LEHMAN. Mr. President, will the Senator yield for a further question?

Mr. HOLLAND. I shall be glad to yield. First, however, let me say that the Senator from New York interjected the question of hospitals, which represents an entirely different kind of project. They fall in an entirely different category. The act under which that function is carried out has to do with the construction of relatively small projects in various communities. It does not deal with States as a whole, in connection with important State programs. It is an entirely different field. The Senator from Florida has supported the Davis-Bacon Act as applied to the construction of court-houses, customs houses, and other projects of the type to which it applies. But here it is sought to depart from the time-honored policy of cooperation between the Federal Government and the States in the important Federal-aid road program, and to engraft a change upon the Davis-Bacon Act which was not contemplated in the beginning and has never been made since. Such changes would mark very great departures from the acts concerned. So those who are insisting that we follow the Davis-Bacon Act are failing to see the facts. The Davis-Bacon Act was never extended to this field. It was purposely kept away from this field. As recently as last year the Senate, by a considerable majority, kept the Davis-Bacon Act from applying to this field.

The Federal-aid road program has been a program of cooperation between the Federal Government and the States, in which State responsibility and power

of decision have been recognized from the beginning. It is now proposed, instead of even giving the Federal agency which handles the program the right to make important decisions, to bring in a still different Federal agency, the Department of Labor, whose functioning in the field of wage determinations has been anything but acceptable to many communities and industries throughout the Nation. It is proposed for the first time to make the Davis-Bacon Act applicable to the Federal-aid road program.

Mr. LEHMAN. Mr. President, will the Senator further yield?

Mr. HOLLAND. I yield.

Mr. LEHMAN. I do not know whether the Senator was present in the Chamber when I gave a list of some of the federally assisted programs to which the Davis-Bacon Act applies. There were nine programs in the list which I gave. There may be others. At least there were nine in the list I gave, including various activities with respect to which the Federal Government has less financial interest, and pays less of the cost, while the States pay more.

Mr. HOLLAND. Undoubtedly the Senator from New York listed those programs correctly; but he cannot escape the conclusion—because it is true—that the Davis-Bacon Act, from its original enactment, and at every moment since that time, by the actions of its friends and supporters, has been kept away from any application to the Federal-aid road program. Now it is proposed to do violence both to the philosophy of the Davis-Bacon Act and to the Federal-aid road program. It is proposed, at one fell swoop, to undo two fine programs by the method suggested in the amendment.

So far as the Senator from Florida is concerned, his position on this point is the same as it was last year. He notes with some concern that some of his distinguished associates seem to have changed their minds.

One of the troubles in connection with proposals of this kind—and this observation applied also to the farm bill—is that frequently consideration of them is postponed until the eve of an election when Senators are subjected to pressure. Sometimes expressions on the eve of a presidential election differ from the deliberate, considered judgment of other years. Pressure has been exerted upon every Senator in this case. Pressure is still being exerted upon every Senator, but I sincerely hope it will not result in any change in the philosophy of the Senate of the United States as expressed in these two fields during all the time of the existence of the Davis-Bacon Act and of the Federal-aid Highway Act.

Last year in the Senate Public Works Committee report there was a very fine statement by the minority in their views on the then pending bill. That statement so clearly covers the entire question that I ask unanimous consent that it be printed in the RECORD at this point as a part of my remarks. I shall not read it into the RECORD, because I have already commented on some of its contents.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The Davis-Bacon Act was enacted by Congress during the early stages of the depression of the 1930's. At that time very few, if any, of the States had minimum-wage laws on their statute books, nor had the Federal Fair Labor Standards Act been passed. Today, two-thirds of the States have minimum-wage laws or are operating under general labor-management areawide wage rate agreements covering highway construction. Indications are that about one-half of the States have minimum-wage laws based on prevailing rates being paid in the locality of the work. Labor classifications in those States follow in most cases the general pattern set in union-employer agreements, and in some areas are parallel to those used in the administration of the Davis-Bacon Act.

The Davis-Bacon Act is now applicable to highway work performed under direct Federal contract. It requires, prior to the advertising for bids, that minimum-wage rates be determined for all laborers and mechanics employed on the project. These minimum rates are based on prevailing rates in the area. The boundaries of the area and the methods for determining prevailing rates are determined by the Secretary of Labor. There is no appeal from his decision.

The regulations further require that copies of all payrolls be received and checked by the Bureau of Public Roads for compliance with labor standards, including rates of wages paid, overtime, and classification or reclassification of employees of the contractor or subcontractor, conformable to the labor classes set forth in the Labor Secretary's decision of minimum wage rates to be paid on the project. It has been estimated that some 4,000 contracts would be involved annually under section 17. This would require the checking of upward of 10 million payroll items for compliance with labor standards provisions. In addition, there would be involved investigations and hearings on wages or other labor disputes growing out of the performance of the contract, and surveys of wage levels.

One only has to glance at the above procedures and figures to understand the vastly increased burden of Federal administrative work involved. Whenever this amount of paperwork becomes involved, delays are bound to occur. Accordingly, the enactment of this section would result in serious delays to the completion of the Interstate System. The procedure indicates the centralized control and vast power which this section would place in the Secretary of Labor.

Those who use the analogy of other Federal legislation, such as the building of a housing project, or an airport, or a hospital, do not take into account the magnitude of the construction work contemplated. Nor do they take into account the fact that roads stretch throughout all parts of the land and affect all communities small and large. It is so vast that other precedents are not appropriate.

The employment of labor is generally recognized as a local matter, affected many times by conditions that do not apply universally. Rates in rural areas frequently are less than those in cities because of living costs and reduced hazards involved in the performance of the work. For example, a laborer on a rural project would be subject to less hazard than one in a downtown locality. A contractor having a large building or housing contract would pay his laborers the same rates whether working on the building itself or on a street or alley to serve a new development. When such a rate is extended to all highway work in the area, both rural and urban, then the highway rate would be entirely unrealistic and the fixing of such an arbitrary level might have a seri-

ous disruptive effect on highway construction.

Such conditions are intensified where it becomes necessary to fix prevailing levels of wage rates based on scattered information received in Washington, often thousands of miles away from the area in question. Such information may not only represent the highest rates in the area but may actually be paid under competitive economic or other conditions of special application only.

It should be noted, finally, that the fact that S. 1048 purports to limit this Federal control to the Interstate System is illusory. It will gradually spread vast Federal controls to all Federal-aid highways, including farm-to-market roads. Its effect will also spread to purely local road construction and maintenance in every city, town, village, and hamlet throughout the Nation.

Since these highways will be designed and contracted for by the States, will be built by the States, will belong to the States, and will be maintained and policed by the States, we believe that very careful thought should be given before the Federal Government takes on the heavy burdens of expense involved in checking millions of payroll items for compliance, holding hearings, making investigations, and otherwise extending its activity into areas heretofore universally recognized as responsibilities of the States.

Mr. HOLLAND. The facts stated then are still true. The position of the minority last year has now become the position of the majority of the Senate Public Works Committee. In the report last year the minority called attention to and commented upon the fact that if this provision were written into the act it would mean the checking of about 4,000 contracts a year, covering all the pay items, all the classification items, and all the promotion or demotion items, for one factor or another. It was pointed out by the minority last year that the amount of administrative work and the extra expense attendant upon it would be of such great magnitude that no one should for a moment overlook it.

I hope Senators will remember that, but I hope they will remember, above everything else, that it is now proposed definitely to change the philosophy of the Federal-aid highway program. Senators say that that is justified because, as to the Interstate System, it is proposed that the Federal Government pay more than it has customarily paid heretofore on any part of the system. It is very true that the Federal Government, under the pending bill, will pay a larger portion of construction costs of the Interstate System. Yet it is equally true that much of the mileage in the primary system, much of the mileage in the secondary system, and much of the mileage in the urban system has been paid for 100 percent by the States, when they could not await the time when particular mileage which was important to them could be reached under the regular Federal-aid program.

There was no thought at that time, and there has never been any thought, of saying that such mileage was not a part of the Federal-aid system, because the entire program is built upon the concept that the Interstate System is the most important mileage, not in a new Federal system of highways, but in the Federal-aid road system.

Every mile of it falls in the primary system or the urban system, with the

possibility that a little of the mileage falls into the category of the secondary system.

Mr. President, there is no doubt in the world that we have before us now, with reference to an important and critical part of the Federal-aid system, an attempt to break away from and do violence to an established structure, which we have respected in the past, and which has brought such good results, and to do 2 things which do violence to 2 fine bits of Federal philosophy which have prevailed to the advantage of the people of the Nation ever since these 2 acts were enacted. I refer, of course, to the Davis-Bacon Act and the first Federal Aid Highway Act.

Mr. President, I do not think it is justifiable to do that. I call attention to the fact that if we do it we will make the Secretary of Labor, who otherwise has nothing to do with this program, the referee and the final decider, subject to no appeal whatever, of an important factor of cost, which he will be asked to determine.

I remember, only a few years ago, when the Senate, by a huge vote, enacted into law the Reorganization Plan submitted by the then President, by which the Bureau of Roads was placed not in the Department of Labor—and was not even allowed to continue as a separate agency—but was placed in the Department of Commerce for good reasons, which were argued on the floor at that time.

Having gone up the hill a good way and having placed responsibility on the Secretary of Commerce and on the Department of Commerce, the proponents of the Chavez amendment would mutilate the picture of responsibility by giving a large part of it to the Secretary of Labor.

There is no question about what the Secretary of Labor has done heretofore. For instance, I have a letter from a very good friend of mine, a small contractor, who lives in Chipley, Fla. He has quoted for my information some facts about the activities of the Department of Labor in the fixing of prices for labor at Eglin Field and at Tyndall Field in west Florida. They are islands of activity surrounded by many miles of rural country and semirural country, many miles away from cities, but with county seat towns and other towns.

I should like to recite merely a few contrasts between prices set by the Secretary of Labor applicable to contracts at Eglin Field and at Tyndall Field, as compared with prices paid in the whole surrounding area under contracts made under State law, with prices fixed by the industrial commission of my State, which is given authority to do this job for the State of Florida and for both contractors and workers in certain types of public construction the entire cost of which is paid by the State.

For instance, in the case of a crane operator, \$3.07 was the rate fixed per hour at Eglin Field and at Tyndall Field by the Secretary of Labor, sitting here in Washington; whereas \$1.50, or less than half as much—but that amounts to \$12 a day in an 8-hour day—was fixed by the

Industrial Commission of the State of Florida.

As to carpenters, \$2.25 an hour, or \$18 a day, was fixed by the Secretary of Labor; whereas \$2 was fixed by the Industrial Commission of Florida for the same class of labor. That rate came right up to the boundary lines of the two military reservations.

There are other contrasts. For instance, with reference to cement finishers, the Secretary of Labor said \$2.50 was the hourly wage that should prevail—I understood he brought that wage rate up from Mobile, which is a good long way from western Florida—whereas \$1.75 was the rate fixed by the State agency as applicable in the great area around those two airbases.

We must not fool ourselves by thinking that the decisions of the Secretary of Labor are in accord with the actual conditions prevailing in those areas. It has not been too long since I have had personally to take up a matter with the Secretary of Labor relative to prices set for construction projects on Lake Okeechobee. In that case, he fixed the wage scale at rates prevailing in the city of Miami, which is nearly 100 miles away. That rate was completely out of harmony with the rates prevailing in many of the smaller towns closer to that spot than the city of Miami.

That is the history of the matter.

We know that we are not being asked for this provision—at least I am not in my own State—by the people who work for those who build the roads. I understand that of the 75 firms who are in the road-contracting business in my State, and who do nothing but that kind of work, not a single one has had his labor unionized. His employees stick to him just like blood brothers.

Whether he is doing work in west Florida or 900 miles away, down on the keys, they go with him, because they are a part of the family. They are well pleased with the wages they are paid. They stick with him loyally. They have an esprit de corps. When it rains, or when it is necessary to continue to pour cement into the night—of course, they are under the Wage-Hour Act, and they get paid for the extra time—they do not think of stopping or quitting. They are content to stay with their employer, and they show it by refusing to be unionized, and they show it by refusing to take up this matter with the Senator from Florida or to show any interest in this bill.

I have had five communications asking for approval of the Davis-Bacon Act as a part of this bill. They all come from the business agents of unions in cities—Miami, Fort Lauderdale, Tampa, and Jacksonville. They are unions which are not represented in the working staff of the contractors of Florida.

I have had a visit from a very representative and fine group of union people of my State, representing the carpenters, plumbers, electricians, and other laboring folk, speaking in behalf of the Davis-Bacon provision. However, I have yet to hear from one person who works for the contractors of my State. They have a sense of very great loyalty and appreciation, and they are

being paid more than they can make in other activities, and they stick to the man who they think is treating them fair.

That is one aspect of the matter. Another is this: I have had this morning a call from the Florida State Road Department, which apparently is in great perturbation. It wanted me to state to the Senate that our road program in Florida, whether the pending bill is passed or not, amounts to more than \$100 million a year.

We are constructing with State funds and under the regular Federal-aid program, more than \$100 million worth of roads each year. In addition to that, we are building a great toll road up and down the east coast. We are building a great limited-access system in the city of Jacksonville. Furthermore, we will be building more roads of that kind. The road department believes it is completely unfair to import chaos and disorganization and confusion into the situation, which will be occasioned by the bringing of the Bacon-Davis factor into the program, particularly when it is not asked for by the very people who would be affected by it.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. KENNEDY. The Senator from Florida was discussing the Eglin Field of the United States Air Force. Was the Senator talking about the firm of Maultsby & Sutton?

Mr. HOLLAND. No; I was talking about the firm of Mr. A. Deermont, at Chipley, Fla. At the time he wrote me, he had 1 contract at Eglin Field and he had 8 small contracts in other parts of west Florida, some of which were covered by State law and some not, but the same rates applied to them. He gave me a summary of the facts based on the very great contrast between the rates prevailing at Eglin Field—one of his contracts was at Eglin Field—and other contracts in the surrounding areas very close to Eglin Field.

Mr. KENNEDY. There was a hearing before the Committee on Labor and Public Welfare, in which the firm of Maultsby & Sutton was mentioned. That firm was a prime contractor at Eglin Field, and it was held in violation of the Davis-Bacon Act on 7 or 8 counts. I did not know whether the Senator was making any reference to that firm.

Mr. HOLLAND. I have not heard of any complaint of any violation by Mr. Deermont. He is a very estimable man. He is what I call a small contractor. However, he has felt the bite of regimentation and interference from a level where he cannot be heard with any degree of satisfaction. He cannot lay down his job away off in west Florida and come to Washington and argue out every matter. He knows that when the Secretary of Labor here in Washington speaks up, he is through, because he has no right of appeal.

I believe he has the right to express very great opposition to the extension of the Davis-Bacon principle—as he believes it will be extended—to all our

roadbuilding projects. I call the Senator's attention to the fact that it was stated by the minority of the Public Works Committee last year—and apparently that position is now taken by the majority—that this is merely an entering wedge, and that when it once comes into one part of the Federal aid system—which differs in no respect from the others, except that the Federal contribution is larger—it will get into other parts of the system just as surely as we are standing here today.

My constituent, Mr. Deermont, does not want to have to do business by remote control, with uncertainties such as those which would exist in connection with everything he does and when his whole payroll situation would be subject to dictation from Washington.

Mr. KENNEDY. The only point I wished to make was that in the hearing at Pensacola, Fla., the report of which came out in 1952, there are cited numerous breaches of the Davis-Bacon Act. The way these breaches occurred indicates, in my opinion, the desirability of the Davis-Bacon Act.

Mr. HOLLAND. The Davis-Bacon Act applied to that contract. The work was done for Uncle Sam at Eglin Field, if I correctly understand. Certainly, I am not disposed to change that provision. But when a contractor, who is one of our finest citizens, tells me of the kind of regimentation to which he had been subjected from Washington on contracts in that broad area of west Florida concerning two airbases, I know he is telling me the truth.

The Senator's statement as to some other Florida contractor whom I do not recognize as being a road contractor is no answer to the point I am making, because it is a fact that these things have been causing trouble. The Department of Labor made so much trouble under the original Wagner Act that it became necessary to set up a separate agency to handle it. One of the principal reasons for that—and I bring this particularly to the attention of the distinguished Senator from Massachusetts—was that it was proven to the satisfaction of the Congress, the majority of whom, on both sides of the aisle, passed that act, that the Secretary of Labor was not an impartial mediator to handle the kind of a question as to which labor on one side and industry on the other side had differences of opinion.

So, Mr. President, we have recognized the principle involved. Yet here it is proposed to make the Secretary of Labor the arbiter of the important point of how much money a contractor has to pay to get his work done.

I yield to my friend, the Senator from Michigan [Mr. McNAMARA].

Mr. McNAMARA. Mr. President, mention has been made of the fact that generally the Secretary of Labor establishes wage scales which are usually found in the larger cities. Generally speaking, it is necessary to do that for the practical purpose of getting people to go into more or less isolated areas such as the Senator describes, on islands, for instance.

Mr. HOLLAND. Does the Senator understand that it is 400 miles from Jack-

sonville, on one side of the State of Florida, to Pensacola on the other?

Mr. McNAMARA. It is generally accepted that in many areas workers have to travel 400 miles.

Mr. HOLLAND. Mr. President, I shall conclude as quickly as I can—

Mr. FULBRIGHT. Mr. President, will the Senator from Florida yield before he concludes?

Mr. HOLLAND. I shall be glad to yield.

Mr. FULBRIGHT. There is a record of some violations of the Davis-Bacon Act. Could not that indicate that where there is no appeal it is intolerable to operate under it? It is not conclusive that the contractor was in the wrong at all, because it is a very unusual procedure that an official of the Government is given so important a responsibility as this without any appeal provided.

Mr. HOLLAND. That may be one of the reasons for that situation. But I will say to the Senator from Massachusetts that I have never heard of the matter to which he has referred, and I do not know the firm involved.

There may be many reasons for what happened. Certainly I would not say that all contractors everywhere are lily-white, and that they have always treated their labor correctly. I supported the Davis-Bacon Act, but I am unwilling to see the philosophy of that act so changed as to apply to the field we are now considering, and I am unwilling to see this Federal-aid program mutilated by having it become a puppet of the Department of Labor when it is a shining example of Federal-State cooperation, and has been such throughout many years.

Mr. President, in conclusion, let me say that this is a pressure matter. It is a matter in which a group of very good leaders are trying on behalf of individuals who apparently are not much interested to force something on our Government which will involve very important policy changes if we adopt it. I, for one, do not propose to favor its adoption, because I do not think it is sound.

Mr. President, if the material men and contractors were meeting together and trying to force higher prices for the doing of the work or the furnishing of the materials as we are entering into this program, we all know what would happen to them. The Department of Justice would be on them almost overnight. Presumably, they would have to go to jail. I understand that my distinguished friend from North Dakota [Mr. LANGER] has often said they do not go to jail as often as they should, and I agree with him in that statement, but the fact is that it is unthinkable that either the material men or the equipment men or the contractors would form such a combine or come here with such an axe. If we yield to the axe coming from any other direction we shall be just as guilty as we would be if we had yielded to such demands as I have mentioned.

Mr. President, this road program is very much needed. It has been thought out very carefully by the distinguished committee which handled the bill, which was of one opinion last year and included this provision, and left it out this year. I congratulate them on hav-

ing come to that conclusion after a year's deliberation and consideration. I do not think we should override them on the floor of the Senate. I am perfectly willing to bring the State regulatory bodies into the picture. We already have in my State an industrial commission consisting of appointees from the public, labor groups, and industry groups, as a wage-fixing agency on many jobs in connection with State business. I would have no objection to following that course on this program. But to have the long arm of the Federal Government reach into a great area, which we are now proposing to make greater, and which would soon control the whole Federal-aid program, when every feeling in my breast is that we have gone too far already, is something which I do not favor. What we need to do is to impose greater power upon persons who are close to the job, where they can see that it is well done. To do the opposite of that I think would be little less than a crime. It is for that reason that I have occupied this much of the Senate's time.

Mr. President, I withdraw my motion to recommit.

Mr. KNOWLAND. Mr. President, I send to the desk an amendment which I should like to have read for the information of the Senate.

The PRESIDING OFFICER. The amendment offered by the Senator from California will be stated.

The CHIEF CLERK. On page 49, line 25, it is proposed to insert the following:

SEC. 117. All laborers and mechanics employed by contractors and subcontractors on the initial construction work performed on highway projects on the Interstate System authorized under section 102 of this act shall be paid wages at rates not less than those prevailing on the same type of work in the immediate locality. Such prevailing wages shall be predetermined by the State highway department or other proper State agency, and shall be set out in each project advertisement for bids and each bid proposal form, and shall also be made a part of the contract covering each project.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. LAIRD in the chair). The Senator from California will state it.

Mr. KNOWLAND. In view of the fact that the amendment has now been modified to be an amendment to the House bill rather than to the committee amendment, will my amendment take precedence over the so-called Chavez amendment?

The PRESIDING OFFICER. The Senator from California is correct.

Mr. KNOWLAND. I thank the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. KNOWLAND. I understand the distinguished junior Senator from Tennessee desires to speak.

Mr. GORE. Mr. President, I shall defer my remarks for the moment.

I suggest the absence of a quorum.

Mr. KNOWLAND. With the understanding that the time for the quorum call will not be charged to either side.

The PRESIDING OFFICER. Is there objection to a quorum call, with the understanding that the time for the quorum

call will not be charged to either side? Without objection, it is so ordered. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Fulbright	McNamara
Allott	George	Millikin
Anderson	Goldwater	Monroney
Barrett	Gore	Morse
Beall	Green	Mundt
Bender	Hayden	Murray
Bennett	Hennings	Neuberger
Bible	Hill	O'Mahoney
Bricker	Holland	Pastore
Bridges	Hruska	Payne
Bush	Humphrey	Potter
Butler	Jackson	Purtell
Byrd	Jenner	Robertson
Capehart	Johnson, Tex.	Russell
Carlson	Johnston, S. C.	Saltonstall
Case, N. J.	Kennedy	Scott
Case, S. Dak.	Kerr	Smathers
Chavez	Knowland	Smith, Maine
Cotton	Kuchel	Smith, N. J.
Curtis	Laird	Stennis
Daniel	Langer	Symington
Dirksen	Lehman	Thye
Douglas	Magnuson	Watkins
Duff	Malone	Welker
Dworschak	Mansfield	Williams
Eastland	Martin, Iowa	Wofford
Ellender	Martin, Pa.	Young
Ervin	McCarthy	
Frear	McClellan	

The PRESIDING OFFICER. A quorum is present.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6268) to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 9390) making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1957, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. KIRWAN, Mr. NORRELL, Mr. SIEMINSKI, Mr. MAGNUSON, Mr. CANNON, Mr. JENSEN, Mr. FENTON, Mr. SCRIVNER, and Mr. TABER were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 10721) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1957, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ROONEY, Mr. PRESTON, Mr. SIKES, Mr. MAGNUSON, Mr. CANNON, Mr. COUDERT, Mr. BOW, Mr. CLEVINGER, and Mr. TABER were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11177) making appropriations for

the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes, and that the House receded from its disagreement to the amendment of the Senate No. 5 to the bill, and concurred therein, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message further announced that the Speaker pro tempore had affixed his signature to the enrolled bill (H. R. 6268) to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects, and it was signed by the Vice President.

FEDERAL-AID HIGHWAY ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes.

The PRESIDING OFFICER. The Senator from California is recognized for 5 minutes.

Mr. KNOWLAND. Mr. President, the pending amendment is the amendment I have offered to the original text of the bill. Mimeographed copies were made, and the only change in them is the reference to where the amendment will be inserted in the bill. The new language is as follows:

On page 25, line 17, it is proposed to strike out down to and including line 3 on page 26, and to insert in lieu thereof.

Then the text of section 117 is exactly as is shown in the mimeographed copies.

I shall not delay the Senate, but I wish to go over some 14 points which I believe are important to an understanding of the implications of the Chavez amendment, which was previously under discussion, and of the importance of an amendment which leaves rights in the hands of the several States, because the roads, in the final analysis, will be built by the State highway departments, and not by the Federal Government.

First. The contracts will be awarded by the States, and the States will have primary responsibility with respect to proper performance of the work.

Second. Further Federal encroachment upon State functions is undesirable. The constitutional authority of the State to deal with matters within its own borders should be respected.

Third. The States are fully capable of making accurate wage determinations. State agencies are more familiar with wage and employment conditions within the State than a Federal agency in Washington, far removed from the scene.

Fourth. It cannot be argued that the State agencies would determine wage rates lower than those actually pre-

vailing. Insistence upon Federal wage determinations implies a lack of confidence in the integrity of the responsible State agencies.

Fifth. A frequent source of complaint in the past has been that wage determinations by the Federal Government tend to follow the wage structures in the metropolitan areas and to extend these metropolitan wage rates into nonurban and rural areas.

Sixth. In many instances work will be simultaneously performed in the same locality on construction of interstate highways and also upon State primary, secondary, and urban highways and streets. Federal wage determinations for the interstate construction would necessarily affect labor costs on the other types of road construction.

Seventh. If the Davis-Bacon Act is made applicable to the Interstate System now, it will ultimately—and I believe inevitably—be made applicable to the entire Federal-aid highway system.

Eighth. Wage determination decisions under the Davis-Bacon Act are not subject to any review. This was ably brought out by the distinguished Senator from Arkansas [Mr. FULBRIGHT]. Thus, there is no check upon the authority of the administrative agency making the determinations. In direct contrast, State agencies making wage determinations would be responsible to the highest State officials and, in most instances, to the State courts.

Ninth. Inclusion of the Davis-Bacon Act in the highway bill would also result in placing enforcement functions in the Federal Government as provided under Reorganization Plan No. 14, 1950 (5 U. S. C., sec. 133z-15). This would mean that the Federal Department of Labor would have authority to conduct compliance inspections on work under State contracts, make nonreviewable findings, and issue orders requiring State agencies to cancel contracts, withhold contractors' payments, and apply other types of sanctions.

Tenth. Federal wage determinations involve delays, redtape, and complications which would impede the progress of the interstate highway program.

Eleventh. When the interstate highway construction program reaches full stride, upward of 10,000 contracts will be awarded each year. The making of Davis-Bacon wage determinations for all these contracts would involve a very substantial expense to the Federal Government since a large administrative staff would be necessary to make these determinations and to maintain inspections for compliance with the determined rates.

Twelfth. The Hoover Commission, after an exhaustive and impartial study, recommended that the Federal wage determination provision in a comparable statute, the Federal Airport Act, should be changed to allow State governors or their designees to make the prevailing wage determination in order "to improve the operation of the Federal-aid program and to eliminate certain sources of discord in intergovernmental relationships."

Thirteenth. In planning the Interstate Highway System each State had sub-

mitted its estimate of the cost of constructing its portion of the system. These estimates were based upon labor costs prevailing within the State. The inclusion of a provision for Federal wage determination could throw these estimates out of line and require substantial upward revision.

Fourteenth. As was so ably pointed out earlier in the debate by the distinguished senior Senator from Virginia [Mr. BYRD], virtually all State highway officials are opposed to inclusion of a Federal wage-determination provision in this bill.

I might say in conclusion, Mr. President, that as we know, there is a provision for the Davis-Bacon Act in the House bill. There is no such provision in the original Gore bill, as passed by the Senate. The bill will go to conference. If there is included the Davis-Bacon provision, there will be no opportunity in conference to reach some kind of adjustment, either for the review of any finding, as has been suggested by the Senator from Arkansas, or some other suitable compromise.

I suggest that, if my amendment is adopted and if it stays in the bill through the subsequent parliamentary procedures, we shall then have the Senate continue its historic position in favor of keeping the authority over wage scales in the hands of the States. Certainly, the Senate of the United States should be interested in the matter of States' rights, if anybody is to be interested in it. The House will have expressed its position in favor of the Davis-Bacon Act provision, and the matter will then have to be worked out suitably in conference.

I hope the amendment will be adopted.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. SALTONSTALL. As I understand, the purpose of the Senator's amendment is not to affect wage rates adversely, but to make it clear that each State is responsible for fixing the wage rates within the State.

Mr. KNOWLAND. The Senator is absolutely correct. I, for one, happen to have confidence in the integrity of our State officials, and I believe States like Massachusetts, California, Ohio, and States in the North, South, East, and West are alive to the needs of their citizens. Many States have prevailing wage laws. The Senator from Kansas mentioned that his State has a very good prevailing wage law. Without imposing on such States the decision of the Department of Labor, standards will be established which have been set up by the States.

Mr. SALTONSTALL. Mr. President, will the Senator yield further?

Mr. KNOWLAND. I yield.

Mr. SALTONSTALL. Under the Senator's amendment, no contractor could conceal the wages he would pay. They would be set forth in the bid advertisements, as I read the amendment. So that every other contractor and the department of public works in the State would know what wage the contractor would pay. Is that correct?

Mr. KNOWLAND. The Senator is correct. I read once again from the language:

All laborers and mechanics employed by contractors and subcontractors on the initial construction work performed on highway projects on the Interstate System authorized under section 102 of this act shall be paid wages at rates not less than those prevailing on the same type of work in the immediate locality. Such prevailing wages shall be predetermined by the State highway department or other proper State agency, and shall be set out in each project advertisement for bids and each bid proposal form, and shall also be made a part of the contract covering each project.

So it will be a matter of public notice and public information.

Mr. SALTONSTALL. Mr. President, will the Senator yield further?

Mr. KNOWLAND. I yield.

Mr. SALTONSTALL. If the other amendment, the one offered by the Senator from New Mexico, should prevail, it would mean that the Federal Government would sit on top of every highway commission in every State of the Union and say, "Do it this way, or else." Is that correct?

Mr. KNOWLAND. The Senator is correct, as I understand the situation.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. CASE of South Dakota. It seems to me that what the Senator from California has offered is exactly what ought to be adopted. It provides first for paying the prevailing wage. Secondly, it provides for a predetermination, so that a contractor will know in advance, when he bids, what he is bidding on. It provides for a predetermination by the State agency, which is the agency best fitted to know what the prevailing wage is on highway contracts in a given locality.

Mr. KNOWLAND. I wish to thank the distinguished Senator from South Dakota for his remarks. I know he has given some thought to a possible amendment along this line, and I want to give him credit for that.

The distinguished junior Senator from South Carolina [Mr. WOFFORD] had also been considering an amendment along this line. I wish to pay tribute to him for it. It was because of the parliamentary situation that I offered the amendment. I believe in keeping within the constitutional doctrine to protect the rights of the States.

Mr. SALTONSTALL. Mr. President, will the Senator from California yield once again?

Mr. KNOWLAND. I yield.

Mr. SALTONSTALL. I have received from the commissioner of public works of Massachusetts, Mr. John A. Volpe, a telegram which I wish to read in order to supplement what the senior Senator from California [Mr. KNOWLAND] has said:

Our opposition to Davis-Bacon Act being included in any Federal highway bill is not concerned with costs but we believe the labor matters should be left with the States. We have good labor laws, good means of administering them, and our relationship with labor has always been excellent. We feel that these conditions can be continued better under State administration rather than Federal.

Mr. KNOWLAND. Mr. President, before I yield the floor, I ask for the yeas and nays on the question of agreeing to my amendment.

The yeas and nays were ordered.

Mr. McNAMARA. Mr. President—

Mr. GORE. Mr. President, I yield 5 minutes to the junior Senator from Michigan [Mr. McNAMARA], in opposition to the amendment of the Senator from California.

Mr. McNAMARA. Mr. President, the pending amendment of the Senator from California [Mr. KNOWLAND] would establish, not an authority to deal with this matter, but at least 48 authorities, which in effect would be no authority at all.

Furthermore, the authority to be established under the amendment is not defined. As the amendment reads, the authority might be the State highway department, which certainly is not very readily identifiable, or it might be any other State agency. Obviously, this is a move to establish so many authorities that there will be no authority.

In view of the record the Department of Labor has had in the field of labor-management relations, I am astonished at the lack of confidence expressed on the other side of the aisle in the Secretary of Labor.

Mr. SALTONSTALL. Mr. President, will the Senator from Michigan yield for a question?

Mr. McNAMARA. Not at this time, thank you.

Mr. SALTONSTALL. Very well.

Mr. McNAMARA. It has been said over and over again that the Secretary of Labor has really acted as a tyrant in that field. But the record simply does not support such a contention.

The Department of Labor has done a magnificent job. It has taken into consideration practical and real problems involved in establishing wages.

When an airport is built, the labor to build it must, logically, be drawn, not from the small towns, but from the larger communities. Hundreds of mechanics are required for the construction of an airport. In a small town there probably would be not more than 10 mechanics. In order to obtain sufficient labor for the construction of an airport, it probably would be necessary to go to the larger communities, perhaps hundreds of miles away.

In the construction industry it is a standard practice or pattern to obtain the necessary labor in the communities where such labor, including mechanics, is available. In the work described a moment ago by the Senator from Florida, mechanics at \$1.50 an hour cannot be used to work alongside of other mechanics who are paid much higher wages.

I think this amendment is not one to establish any authority at all. I repeat that the amendment would result in no authority. I again say that in its long period of working in this area the Department of Labor has done an excellent job.

Mr. SALTONSTALL. Mr. President, will the Senator from Michigan yield to me?

Mr. McNAMARA. I yield.

Mr. SALTONSTALL. I agree with the position of the Senator from Michigan

regarding the Secretary of Labor. Personally, I liked the previous Secretary of Labor, Mr. Tobin, a friend of mine from Massachusetts.

As I understand the pending amendment, it relates to the situation which will exist when the bill becomes law. In the administration of the law, there may be throughout the entire Nation 10,000 contracts or more. The Secretary of Labor is an excellent man; but we must consider the problem of administration.

The Senator from Michigan comes from Detroit. He knows the State of Michigan, and he is popular there. In the administration of such contracts, would not the Senator from Michigan prefer to go to a State of Michigan agency, where he is well known, and where he would receive friendly consideration, rather than to have to hurry to Washington in connection with perhaps 5, 6, or 7 contracts in Michigan alone?

Mr. McNAMARA. In answer to the question, Mr. President, let me say that the Davis-Bacon Act is not needed in Michigan; it is not needed in Detroit. Neither is it needed in Boston. But it is needed in most of the areas where the 40,000 miles of road will be built. Minimum wages will be paid in Massachusetts and in Michigan, because in those States the conditions are such that over the years the contractors have paid minimum wages for work of this kind.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. McNAMARA. Mr. President, will the Senator from Tennessee yield a few more minutes to me?

Mr. GORE. I yield 2 minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 2 more minutes.

Mr. McNAMARA. I thank the Senator from Tennessee.

Mr. President, the existing practices in Michigan and Massachusetts will not prevent the payment of less than minimum wages to itinerant workers, who may not even be citizens, and who, after helping harvest crops—perhaps the apple crop—will work in some of the other States on road projects. That situation will break down proper working conditions for the local people.

Mr. President, I repeat that that situation will not hurt Michigan or Massachusetts, it will not hurt Detroit or Boston, where the Davis-Bacon Act is not needed, in view of the wages already being paid there.

Mr. SALTONSTALL. I should like to ask this question: If the pending amendment is adopted, it will mean that a contractor will have to advertise publicly what he will pay his help, before he begins the work. Will not that help in respect to the situation to which the Senator from Michigan has just referred to?

Mr. McNAMARA. No; it will not.

Mr. SALTONSTALL. I hope it will.

Mr. McNAMARA. No, it will not help a bit, because when an agency such as the Department of Labor is involved, its functioning in this situation will be deliberately broken down by having so many agencies participate. To have 48 authorities is to have no authority.

Mr. LANGER. Mr. President, will the Senator from Michigan yield?

Mr. McNAMARA. I yield.

Mr. LANGER. Is it not true that the richer States will pay higher wages than will the poorer States?

Mr. McNAMARA. I think they will, under ordinary circumstances.

Mr. LANGER. Yes.

Mr. GORE. Mr. President, I yield 5 minutes to the junior Senator from California [Mr. KUCHEL].

The PRESIDING OFFICER. The Senator from California is recognized for 5 minutes.

Mr. KUCHEL. Mr. President, aside from my 3 years of service in the Senate, the only experience I have had in government has been in State government, in a department of the State government of California. For 7 years I had the responsibility of conducting the business of one of the executive agencies of that government. That was one of the happiest experiences of my life.

I think most of the Members of the Senate will recognize that the constitution of each State of the United States provides for the legislative branch to sit in judgment with respect to the power and authority of the executive branch of the State government and the various agencies of the State government, whether created by legislative statute or under authority of the State constitution.

Mr. President, I raise this question most sincerely: In the second sentence of the pending amendment, we find the following:

Such prevailing wages shall be predetermined by the State highway department or other proper State agency, and shall be set out in each project advertisement for bids and each bid proposal form, and shall also be made a part of the contract covering each project.

Mr. President, in attempting to legislate here in the Congress as to what a department of a State government must do, I fear that we run into serious constitutional questions and, beyond them, serious questions of governmental management.

Let us assume that in the State from which I come, the State's highway department would have the so-called responsibility, under a Federal statute, of determining for the various areas of California what the prevailing wages in each of those areas would be. I can conceive that that responsibility would require manpower and would require the appropriation of funds by the legislative branch of my State government, in order to do the job which should be done in order to obtain the answer. Suppose the legislature of my State should refuse to appropriate those moneys. Suppose the legislature of any State should say, "We are not going to have the Government of the United States dictating to us." What would that do to a Federal interstate highway program?

I raise this question sincerely. It seems to me that we are on tenuous ground when we say to a State agency under this bill, "We are going to make you do certain things." No provision is made in the bill for the expenditure of money with respect to the responsibility

with which we attempt to clothe the States, and the authority with which we attempt to clothe them.

One of my most pleasant experiences has been my 3 years in the Senate as a member of the Committee on Public Works. I well remember the first occasion upon which an individual came before our committee asking that the Davis-Bacon Act be written into the then pending highway legislation, which was being discussed. Not a single word of protest was uttered by anyone who came before the committee a year ago with respect to writing into the highway bill then under discussion the provisions of the prevailing-wage statute.

It seems to me that Members of the Senate ought to face up clearly to the fundamental issue before us in this entire debate. The issue is, Do we want to provide for prevailing wages in connection with a Federal expenditure of \$25 billion? Or do we want to permit undercutting and underbidding by those who are wont to undercut and underbid in order to get work? In my judgment, that is the issue which faces the United States Senate today.

Mr. THYE. Mr. President, will the Senator yield?

Mr. KUCHEL. I am very glad to yield.

Mr. THYE. The question I should like to have answered is this: Assume that a contractor has been the successful bidder with respect to certain mileage of highway in Ohio. Assume that that stretch of highway extends into Indiana. He is bidding, and the commissioner of highways of the State of Ohio says, "These are the regulations you must follow, and this is the wage you must pay."

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. KUCHEL. Mr. President, may I have some more time?

Mr. GORE. Mr. President, I yield 1 additional minute to the Senator from California.

Mr. THYE. Assume that the commissioner of highways in the State of Ohio says, "These are the regulations, and this is the wage you must pay." The contractor is likewise under contract or is bidding in the State of Indiana, and the Indiana commissioner of highways says, "This is the hourly wage you must pay for the various classes of workers, and these are the regulations which you must abide by under any contract you enter into." What type of problem do we subject the contractor to? Can he be a bidder under such circumstances, or must he bid separately for the mileage which lies within each State?

Mr. KUCHEL. I think the Senator has placed his finger on a most important problem.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. KNOWLAND. Mr. President, I yield myself 1 minute. I should like to answer the question of the Senator from Minnesota.

Is not the answer to the problem that in the final analysis the building of the highways will still be under the State

highway departments? That part of the highway being built in the State of Ohio is built under the supervision and direction of the Highway Department of the State of Ohio. That which is being built in Indiana, Minnesota, or any other State will be built under the supervision of the highway department of the particular State. So there would have to be separate contracts in any event.

Mr. THYE. Mr. President, will the Senator yield sufficient time so that I may ask him a question?

The PRESIDING OFFICER. Does the Senator from California yield for that purpose?

Mr. KNOWLAND. I yield.

Mr. THYE. Is it not true that this is a national system of highways, extending from East to West and from North to South? We want uniformity; and if we are to have uniformity, and if we are to have a continuity of successful bidding across the Nation, it will have to be under some system of bidding across the Nation. We cannot have a contractor bidding on 5 or 6 miles of highway in Ohio, 5 or 6 miles in Indiana, 7 or 8 miles in Wisconsin, and 10 miles in Minnesota, and have any uniformity or continuity of successful bidding.

Mr. KNOWLAND. That is exactly what would happen in any event. To follow the argument of the Senator from Minnesota to its conclusion, I say most respectfully that the theory should have been to turn over to the head of the Federal Bureau of Roads the entire \$25 billion, or so much of it as was to be used in the Interstate System, and say to him, "You contract for a Federal system of roads." But that is not the theory of the bill. The theory of the bill is that we shall use the State highway departments, which have had great experience with this character of work. We all want the Interstate System completed, but it is to be completed by the States. If we want to impose upon them the decision of a single official in Washington as to the prevailing wage, which has not been the situation in the past, that is one question, as a matter of policy. As the Senator from Virginia [Mr. BYRD] pointed out earlier in the day, the overwhelming majority of State highway departments are very much opposed to any such provision.

Mr. THYE. I thank the Senator.

Mr. GORE. Mr. President, I yield 2 minutes to the Senator from Illinois [Mr. DOUGLAS].

Mr. DOUGLAS. Mr. President, we now have before us the Knowland amendment instead of the Chavez amendment. The Knowland amendment would give to the State highway departments, rather than the United States Department of Labor, the responsibility for determining the prevailing wages. In my judgment, in certain States where union labor is very weak, the result would be that the highway departments would fix the nonunion scales as the wage for common labor, which would be set at a very low level. I am pained to find the distinguished minority leader taking this position after the protestations which the Secretary of Labor has made that the Eisen-

hower administration is favorable to the cause of labor.

Mr. GORE. Mr. President, I yield 5 minutes to the Senator from New York [Mr. LEHMAN].

Mr. LEHMAN. Mr. President, I think the proposed amendment of the minority leader would inevitably delay work on this program for a very considerable period of time.

A great many of the States have no prevailing wage laws. It is claimed that 25 of the States have prevailing wage laws. Assuming that to be true, that would leave 23 States which do not have such laws. Legislative action would be required in each of those States in order even to commence the work which is to be undertaken.

Furthermore, a number of States have assigned to different agencies the duty of determining rates of pay. In some States, the determination is made by the highway commissioner. In other States it is made by the industrial commissioner; and in other States it is made by still other officials or agencies.

The most important thing, from which we cannot possibly escape, is that this interstate road system is a Federal project. Even the law is called the Federal-Aid Road Act.

Ninety percent of the cost of the program is to be defrayed by the Federal Government. Where does the Federal Government get the money from which the appropriations and grants are made to the States?

The States of Arizona, New Mexico, California, New York, and Pennsylvania do not necessarily raise all the money which will be coming to them under this program. It is a Federal program. The people of the States of New York, Pennsylvania, California, New Mexico, Arizona, Montana, and Minnesota all contribute. So all the States have a very definite stake in this program. I do not think we can escape that fact.

We would be foolish, and unwise, and our action would be unjustified, if we turned over the conduct of this great Federal program exclusively to the States. If we approve this amendment, I believe that, inevitably, certain States, the States which have higher standards of living, will pay high wages, while other States will pay low wages. There will be no uniformity and no general policy. Forty-eight States can adopt schedules of wages which will have no relation to each other.

Obviously, too, there will be no uniformity whatever in the conduct of the work. The Davis-Bacon Act was sponsored by Representative Bacon, of New York, a very distinguished Republican Congressman. He stated his reasons for sponsoring it more than 25 years ago when he wrote:

I want to cite the specific instance that brought this whole matter to my attention. The Government is engaged in building in my district a Veterans' Bureau hospital. Bids were asked for; several New York contractors bid, and in their bids, of course, they had to take into consideration the high labor standards prevailing in the State of New York. I think I can say that the labor standards in New York are very high. The wages were fair, and there has been no dif-

ficulty in the building trades between the employee and employer in New York for some time. And the situation existed therefore, and the New York contractors made their bids, having the labor conditions in mind. The bid, however, was let to a firm from the South, and some thousand non-union laborers were brought to New York in my own congressional district. They were hired onto this job, they were housed, and they were paid a very low wage, and the work proceeded. Of course, that meant that labor conditions in this part of New York State where the hospital was being built were entirely upset. It meant that the neighboring community was very much upset.

If we adopt the amendment of the minority leader and thus do away with all uniform labor standards, on a Federal program toward which all the taxpayers of the country contribute to the extent of 90 percent of the cost, then we are sanctioning a complete diversity in the computing of rates of pay and in working conditions.

It is an unfortunate and a bad amendment. It would inevitably delay the prosecution of the work. It would also, in my opinion, lower labor standards in many parts of the country. The Federal Government has a right to supervise standards. Supervision should not be left wholly to the discretion of the commissioners of 48 separate States.

Mr. GORE. Mr. President, I yield 2 minutes to the Senator from Oregon.

Mr. NEUBERGER. Mr. President, I join the chairman of the Senate Committee on Public Works in opposition to the amendment. It is all very well to speak about States rights, but we should not at the same time overlook States' responsibilities. Any Member of the Senate who is concerned about the result of the adoption of the Davis-Bacon provision can very easily move to amend the proposed legislation to have the States pay 50 percent of the funds, for example.

However, all that is heard is the argument that the States should set the wage standards on the project, but that the Federal Government shall continue to pay 90 or 95 percent of the cost.

It seems to me that if the Federal Government, under the Bureau of Public Roads, can set the specifications of how the highways should be built, there is nothing sinful or immoral or inimical about having the Federal Government set the wage standards. If the States are to set the wage standards, as proposed under the amendment offered by the distinguished Senator from California, why should it not also be proposed, collaterally, that the States shall set specifications as to road curvature and width and other standards? I oppose the amendment, and I join the distinguished chairman of the Senate committee in opposition to it.

Mr. GORE. Mr. President, I yield 2 minutes to the distinguished Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I believe it is well known in the Senate that when the Federal Government builds a highway entirely with Federal funds, such as a highway on a Federal reservation or in a forest area, or on any other Federal property, the Davis-Bacon

provisions apply. In other words, where 100 percent of the cost is paid by the Federal Government, there is no doubt that Congress has stated that the wage standards shall be established by the Department of Labor.

With respect to the Interstate Highway System, about 95 percent-plus of the total cost of the system is to be paid out of the Federal Treasury. Are we to understand, because a contribution of approximately 10 percent is to be paid by the States, that we are to sacrifice and throw out the window the principle of federally established wage standards on the whole Interstate Highway System?

It seems to me that that argument falls for lack of merit. It seems to me it is rather foolish to argue that a very small contribution of 10 percent on the part of a State is sufficient reason to destroy an established policy by the Federal Government, which has been in effect for many years.

It should also be noted that in the building of airports, the Davis-Bacon Act applies, as it does in the building of all defense facilities and flood-control projects and rivers and harbors projects. Even when small local contributions are made in such a case, the Davis-Bacon provisions apply.

I should like to cite other instances where the Davis-Bacon provisions apply, in the event that the RECORD is not complete. They are the Federal Airport Act, the School Survey and Construction Act of 1950. Incidentally, I should like to point out that the late Senator Taft was a cosponsor of that act, and went along with that provision. I am rather surprised to see the minority leader take a position which is a retreat from the position once held by his distinguished predecessor in the Senate. The Hospital Survey and Construction Act, in connection with which there is a considerable Federal contribution. Work done under that act must be done in accordance with the principles of the Bacon-Davis Act. The slum clearance and urban renewal program. The National Housing Act. The Multi-Family Rental Housing Act. The Defense Housing Act. The Community Facilities Act. The Lease-Purchase Contract Act of 1954. Under that act, the Davis-Bacon provisions apply when a private contractor builds property to be leased by the Government, even though the Federal Government's relationship is only that of a tenant. Nevertheless Congress insisted that the principle established in the Davis-Bacon Act with respect to prevailing wages be incorporated into that legislation establishing the Lease-Purchase Contract Act.

I say most respectfully that the argument to limit the Davis-Bacon Act, to weaken it, to adulterate it, as the Knowland amendment would do, falls for lack of merit.

The adoption of the Knowland amendment would mean the sacrificing on this interstate highway system all the wage provisions that Congress has written into law throughout the past years for the sole purpose of paying lip service to what some people call local or States rights. We already insist on a much more stringent system with respect to private construction in the Lease-Purchase Act than

we would apply to the highway system, which is entirely public in use and purpose.

Mr. GORE. Mr. President, I yield 3 minutes to the Senator from Oklahoma.

Mr. KERR. Mr. President, I am persuaded that the Knowland amendment has not been offered for the purpose of bringing about the implementation of the prevailing wage principle. In the first place, so far as I know, a program or a method of fixing the prevailing wage is not now in effect as a matter of law in the 48 States on a State basis. I take it that if a State had one method of fixing the prevailing rate, under this amendment, if adopted and made a part of the law, such State could not participate in this program until the legislature had met and provided a means of determining the prevailing wage within the State. But even if it were effective, Mr. President, it would fix the minimum of 48 prevailing wage rates.

Mr. President, everything that goes into a highway is the product of labor, and the workers who did the work in connection with the product being used received the prevailing wage with reference to the production of that product.

All the amendment of the Senator from New Mexico would do would be to give to the workers in each State who do the construction labor the same right they have now with reference to the development of every product that goes into the construction of the highway.

So, as I interpret it, the rejection of the Chavez amendment would mean a denial to the road construction workers in our States of the privilege which is now enjoyed by every other worker whose labor goes into the manufacture of any product used in building the highways. Whether it be a truck or an automobile or gravel or a rock product or cement or asphalt or steel, the various laborers who produced those commodities received the prevailing wage. If we defeat the amendment, we are saying that we will not permit construction workers to enjoy the same privilege which the workers in connection with every other product used in the highway construction have already received.

Mr. CHAVEZ. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. CHAVEZ. In the construction of our highways, what are the essential things? One is cement. Does that require labor? Another is asphalt. Does that require labor?

Mr. KERR. And steel.

Mr. CHAVEZ. Yes.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. KERR. Mr. President, I yielded for a question.

Mr. GORE. I yield an additional minute to the Senator from Oklahoma.

Mr. CHAVEZ. Does not the man who helped to construct a bulldozer in Ohio contribute to the highway construction?

Mr. KERR. Yes; and if he helped to construct it in Ohio, and it is used in Oklahoma, he is paid the prevailing wage. And I believe the worker in Oklahoma who puts together the products of

the labor of so many groups, which go into the finished product of the highway, is just as much entitled to the prevailing wage as are the workers who made all the products which go into highway construction.

Mr. CHAVEZ. That is the reason for the amendment.

Mr. KERR. I thank the Senator from New Mexico. That is why I say the amendment offered by the Senator from California should be defeated, and the amendment offered by the Senator from New Mexico should be adopted.

Mr. GORE. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Tennessee has 1 minute on the amendment.

Mr. GORE. I yield myself that minute and 2 minutes on the bill.

I wish to call to the attention of the Senate the fact that the amendment offered by the distinguished minority leader, the senior Senator from California [Mr. KNOWLAND], is an amendment to the House text. No matter what disposition the Senate may make of the amendment offered by the senior Senator from California, the pending question will then be the amendment to the Senate bill offered by the Senator from New Mexico on which all time has expired. So, apparently, we will have two successive rollcalls.

Briefly, Mr. President, I should like to make my position clear on this matter. It seems that the two amendments are diametrically opposed to each other. The amendment offered by the senior Senator from New Mexico proposes to attach the condition, upon the grant of 90 percent of the funds, that the prevailing wage as determined by Federal officials shall be paid.

The idea of the Federal Government attaching conditions to a Federal grant is not new. It has been done in the case of funds for hospital construction. Under the present law the Bureau of Public Roads has already sent to the various States standards of construction which must be met in order to obtain funds. The grade must meet certain conditions, there must be certain curvatures, certain vision requirements. They attach to the granting of the 90-percent fund for interstate highways.

The senior Senator from New Mexico would attach, in addition, the condition that the prevailing wages be paid.

The Senator from California has proposed to amend the House bill, which would not settle this issue at all, to provide that the 48 State highway departments fix the wages.

There are some real questions involved. Some States do not have methods of fixing prevailing wages. Some do.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. GORE. Mr. President, I ask for the yeas and nays on the Chavez amendment.

The yeas and nays were ordered.

Mr. GORE. Mr. President, I yield myself 1 additional minute in order that the senior Senator from Oregon may ask

a question of the distinguished minority leader.

Mr. MORSE. Mr. President, can the Senator from California advise me whether Secretary of Labor Mitchell approves of his amendment?

Mr. KNOWLAND. I will say to the Senator that I have not discussed the amendment with Secretary Mitchell.

Mr. GORE. Mr. President, I suggest the absence of a quorum.

Mr. KNOWLAND. Mr. President, will the Senator from Tennessee withhold his suggestion for a moment?

Mr. GORE. Yes.

Mr. KNOWLAND. Mr. President, I yield so much time as he may need to the Senator from New Hampshire [Mr. COTTON].

Mr. COTTON. Mr. President, I had not intended to take 1 minute in this debate, but as a member of the Committee on Public Works who last year took part in the debate on this question, I cannot refrain from taking a moment at this time.

Mr. President, yesterday on the floor of the Senate, when we were discussing the question of the allocation of funds to various States, some of us were trying to point out that either under the so-called Gore bill, which prescribed an arbitrary formula, or under the House bill, which is predicated on a set of unrealistic estimates, the result might be unsatisfactory. When we suggested what we thought was a common sense approach, namely, that the highway departments of the States should award contracts to build their proper share of the roads, and then the Secretary of Commerce, through the Bureau of Public Roads, should study the contracts and approve them, I recall that the distinguished Senator from Oklahoma and other members of the committee said, "No. There is one thing which, throughout the hearings and throughout the deliberations of the Committee on Public Works, we have maintained, namely, that these are not going to be national highways, they are going to be built by the States, and we are not going to put into the hands of a Cabinet official in Washington—in this case, the Secretary of Commerce—the arbitrary and far-reaching power of passing on the division or allocation of the funds in the building of highways in the various States."

Mr. President, I should like to have the attention of the Senator from Oklahoma. I do not wish to quote him incorrectly, but only yesterday, in answering my question, the distinguished Senator from Oklahoma said—and I am quoting from the RECORD of yesterday's debate:

The highway assistance program is one of the few remaining definite recognitions by the Federal Government of the sovereignty of the States, and it is one of the most significant programs wherein the sovereignty and the identity of the States are recognized and preserved.

Mr. President, what is sauce for the goose is sauce for the gander. If we cannot delegate to the Secretary of Commerce the power simply to examine, to coordinate, and to approve the contracts which are entered into by the

highway departments of the several States, how can we approve of giving arbitrary power to the Secretary of Labor, without any right of appeal, to fix the standards of wages throughout the country, to fix the scale of wages which will seep down into every town and city in the land? If one Cabinet officer should not have such power, another certainly should not.

I suggest that we shall be doing what we have never done before. The building of a hospital in a community or the improving of a harbor facility does not leave its imprint on the wage scale of a community for years to come. But the fixing of wages for highway construction is something which will remain, and will make the highways cost more, thus increasing the problem through the years.

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired.

Mr. KNOWLAND. Mr. President, I yield 3 additional minutes to the Senator from New Hampshire.

Mr. COTTON. Mr. President, if we are able to write into the bill an arbitrary power which will enable the Secretary of Labor, without the right of appeal, to override, if he desires, even the agreements entered into between labor unions and employing contractors in the fixing of wages, then I hope that later, when we consider the matter of allocations, we can forget all the statements which have been made about a formula in one bill and a set of estimates in the other. If the highways are intended to be Federal highways, then let them be Federal highways.

One more point. Who will pay for the highways? Again and again I have heard distinguished Senators say that the Federal Government will pay 90 percent. Where will the Federal Government get the money? It does not grow in the Treasury. It comes from the citizens, the businessmen, the taxpayers of the 48 States.

If the Davis-Bacon provision shall be adopted, let us not hear any more about a system of Federal aid. It will have become a nationalized highway system, with more power centralized in the Federal Government than has been the case in any similar program.

Mr. KNOWLAND. Mr. President, I yield 2 minutes to the distinguished junior Senator from Arizona.

Mr. GOLDWATER. Mr. President, I think it might be well to include at this point in the RECORD a list of States having minimum- or prevailing-wage requirements on highway construction. The list appears on page 291 of the hearings on the bill. I therefore ask unanimous consent that the table be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

STATES HAVING MINIMUM- OR PREVAILING-WAGE REQUIREMENTS ON HIGHWAY CONSTRUCTION¹

Twenty-five States having prevailing wage-rate laws: Arizona, California, Connecticut, Idaho, Illinois, Indiana, Kansas,

¹Florida has prevailing-wage law on certain highway bridges not counted in this list.

Kentucky, Massachusetts, Montana, Nevada, New Hampshire, New Jersey, New Mexico, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Utah, Washington, West Virginia, and Wisconsin.

Five States having administratively predetermined wage rates: Delaware, Maine, Minnesota (by administrative ruling), Nebraska, and Vermont.

Five States having statutory minimum-wage rates: Colorado, Nevada (also has prevailing law), New Hampshire (also has prevailing law), Texas (also has prevailing law), and Wyoming.

States having prevailing wage-rate laws.....	25
States having administratively determined minimum wage-rate requirements.....	5
States having statutory minimum rates, 3 of which also have prevailing wage laws.....	5
States not having any of the above.....	16
Total.....	51
That overlap.....	-3
Total.....	48

Mr. KNOWLAND. Mr. President, I am prepared to yield back the remainder of my time on the Knowland amendment.

Mr. McNAMARA. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Michigan will state it.

Mr. McNAMARA. Am I correct in assuming that the proposed amendment of the Senator from California is an amendment to the House text of the bill?

The PRESIDING OFFICER. The Senator from Michigan is correct.

Mr. McNAMARA. I wonder if Senators have properly taken into consideration the fact that a similar amendment was rejected in the House by a vote of 162 to 77.

Mr. KNOWLAND. Mr. President, I suggest that this is the Senate of the United States. We have not acted on the proposal.

The PRESIDING OFFICER. Does the Chair correctly understand that the Senator from California has yielded back the remainder of his time?

Mr. KNOWLAND. I am prepared to yield back the remainder of my time. I do not know whether a point of order has been made on the amendment.

The PRESIDING OFFICER. A point of order has not been made.

Mr. KNOWLAND. I yield back the remainder of my time on the amendment, and I suggest the absence of a quorum.

The PRESIDING OFFICER. All time of the Senator from Tennessee on the amendment has expired.

Mr. GORE. Mr. President, I ask unanimous consent that the time to be taken for the quorum call not be charged to either side.

The PRESIDING OFFICER. Without objection, the time for the quorum call will not be charged to either side. All time having been yielded back, and the absence of a quorum having been suggested, the clerk will call the roll.

²Alabama, Arkansas, Florida (except bridges), Georgia, Iowa, Louisiana, Maryland, Michigan, Mississippi, Missouri, North Carolina, North Dakota, Oklahoma, South Carolina, South Dakota, Virginia.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Frear	McNamara
Allott	Fulbright	Millikin
Anderson	George	Monroney
Barrett	Goldwater	Morse
Beall	Gore	Mundt
Bender	Green	Murray
Bennett	Hayden	Neuberger
Bible	Hennings	O'Mahoney
Bricker	Hill	Pastore
Bridges	Holland	Payne
Bush	Hruska	Potter
Butler	Humphrey	Purtell
Byrd	Jackson	Robertson
Capehart	Johnston, S. C.	Russell
Carlson	Kennedy	Saltonstall
Case, N. J.	Kerr	Scott
Case, S. Dak.	Knowland	Smathers
Chavez	Kuchel	Smith, Maine
Cotton	Laird	Smith, N. J.
Curtis	Langer	Stennis
Daniel	Lehman	Symington
Dirksen	Magnuson	Thye
Douglas	Malone	Watkins
Duff	Mansfield	Welker
Dworshak	Martin, Iowa	Williams
Eastland	Martin, Pa.	Wofford
Ellender	McCarthy	Young
Ervin	McClellan	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from California [Mr. KNOWLAND].

The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLOTT (when his name was called). On this vote I have a pair with the Senator from Vermont [Mr. FLANDERS]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. CAPEHART (when his name was called). On this vote I have a pair with the Senator from Kentucky [Mr. CLEMENTS]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. ELLENDER. On this vote I have a pair with my colleague, the distinguished junior Senator from Louisiana [Mr. LONG]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. FULBRIGHT (when his name was called). On this vote, I have a pair with the senior Senator from West Virginia [Mr. NEELY]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. SMATHERS. I announce that the Senator from Kentucky [Mr. CLEMENTS], the Senator from Louisiana [Mr. LONG], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Texas [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from West Virginia [Mr. NEELY] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS], the Senator from Kansas [Mr. SCHOEPPPEL], and the Senator from Wis-

consin [Mr. WILEY] are absent on official business.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from New York [Mr. IVES] is absent because of illness.

The Senator from Wisconsin [Mr. McCARTHY] is detained on official business.

If present and voting, the Senator from Wisconsin [Mr. McCARTHY] and the Senator from Kansas [Mr. SCHOEPPPEL] would each vote "yea."

The yeas and nays resulted—yeas 39, nays 39, as follows:

YEAS—39

Barrett	Ervin	Mundt
Bennett	Frear	Robertson
Bricker	George	Russell
Bridges	Goldwater	Saltonstall
Byrd	Holland	Smathers
Carlson	Hruska	Smith, N. J.
Case, S. Dak.	Johnston, S. C.	Stennis
Cotton	Knowland	Thye
Curtis	Malone	Watkins
Daniel	Martin, Iowa	Welker
Dirksen	Martin, Pa.	Williams
Dworshak	McClellan	Wofford
Eastland	Millikin	Young

NAYS—39

Alken	Hayden	McNamara
Anderson	Hennings	Monroney
Beall	Hill	Morse
Bender	Humphrey	Murray
Bible	Jackson	Neuberger
Bush	Kennedy	O'Mahoney
Butler	Kerr	Pastore
Case, N. J.	Kuchel	Payne
Chavez	Laird	Potter
Douglas	Langer	Purtell
Duff	Lehman	Scott
Gore	Magnuson	Smith, Maine
Green	Mansfield	Symington

NOT VOTING—17

Allott	Hickenlooper	McCarthy
Capehart	Ives	Neely
Clements	Jenner	Schoeppel
Ellender	Johnson, Tex.	Sparkman
Flanders	Kefauver	Wiley
Fulbright	Long	

The VICE PRESIDENT. On this vote the yeas are 39 and the nays are 39. Under the Constitution, the Vice President, having the right to vote in case of a tie, casts his vote in the affirmative, and the amendment is agreed to.

Mr. KNOWLAND. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. BRIDGES. Mr. President, I move to lay on the table the motion to reconsider.

Mr. HUMPHREY and other Senators requested the yeas and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from New Hampshire [Mr. BRIDGES] to lay on the table the motion of the Senator from California [Mr. KNOWLAND] to reconsider the vote by which the amendment was agreed to.

The yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. CAPEHART (when his name was called). On this vote, I have a pair with the Senator from Kentucky [Mr. CLEMENTS]. If the Senator from Kentucky were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea."

Mr. FULBRIGHT (when his name was called). On this vote, I have a pair with the Senator from West Virginia

[Mr. NEELY]. If the Senator from West Virginia were present, he would vote "nay." If I were at liberty to vote, I would vote "yea."

Mr. ELLENDER (when his name was called). On this vote I have a pair with the junior Senator from Louisiana, my colleague [Mr. LONG]. If he were present, he would vote "nay." If I were at liberty to vote, I would vote "yea." I withhold my vote.

The rollcall was concluded.

Mr. SMATHERS. I announce that the Senator from Kentucky [Mr. CLEMENTS], the Senator from Louisiana [Mr. LONG], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Texas [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from West Virginia [Mr. NEELY] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS], the Senator from Kansas [Mr. SCHOEPPPEL], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from New York [Mr. IVES] is absent because of illness.

If present and voting, the Senator from Vermont [Mr. FLANDERS] and the Senator from Kansas [Mr. SCHOEPPPEL] would each vote "yea."

The result was announced—yeas 41, nays 39, as follows:

YEAS—41

Allott	Ervin	Mundt
Barrett	Frear	Robertson
Bennett	George	Russell
Bricker	Goldwater	Saltonstall
Bridges	Holland	Smathers
Byrd	Hruska	Smith, N. J.
Carlson	Johnston, S. C.	Stennis
Case, S. Dak.	Knowland	Thye
Cotton	Malone	Watkins
Curtis	Martin, Iowa	Welker
Daniel	Martin, Pa.	Williams
Dirksen	McCarthy	Wofford
Dworshak	McClellan	Young
Eastland	Millikin	

NAYS—39

Alken	Hayden	McNamara
Anderson	Hennings	Monroney
Beall	Hill	Morse
Bender	Humphrey	Murray
Bible	Jackson	Neuberger
Bush	Kennedy	O'Mahoney
Butler	Kerr	Pastore
Case, N. J.	Kuchel	Payne
Chavez	Laird	Potter
Douglas	Langer	Purtell
Duff	Lehman	Scott
Gore	Magnuson	Smith, Maine
Green	Mansfield	Symington

NOT VOTING—15

Capehart	Hickenlooper	Long
Clements	Ives	Neely
Ellender	Jenner	Schoeppel
Flanders	Johnson, Tex.	Sparkman
Fulbright	Kefauver	Wiley

So the motion to lay on the table was agreed to.

The VICE PRESIDENT. The question now recurs on the amendment of the Senator from New Mexico [Mr. CHAVEZ]. All time has expired.

Mr. KNOWLAND. Mr. President, I yield myself 5 minutes on the bill.

Because of the parliamentary situation, the amendment which has just been agreed to was first offered in order that there might be an opportunity for an expression by the Senate. First I proposed a unanimous-consent request that it be voted upon ahead of the Chavez amendment. Inasmuch as it would have been an amendment in the third degree, that could not be done except by unanimous consent. I made the unanimous-consent request that the amendment might be offered at that point to the Chavez amendment, without the rule applying.

The distinguished senior Senator from New Mexico, as he had a perfect right to do under the rule, refused to grant unanimous consent for that purpose.

I then stated that from the parliamentary point of view, in order to offer my amendment to the committee amendment, it would be necessary for me then to move to lay on the table the Chavez amendment, with the understanding that if that motion prevailed, I would then offer the amendment which the Senate has just acted upon favorably.

I do not wish to foreclose any debate, but we have debated this amendment for most of the day. I do not wish to foreclose any Senator who wishes further to discuss the subject, but in order that the action of the Senate in agreeing to an amendment to the House language may not be an empty gesture, inasmuch as that language will be substituted by the committee amendment, I feel that in fairness to the Senate I must at the proper time, without foreclosing any debate, move to lay on the table the amendment of the Senator from New Mexico, with the understanding that if that motion shall prevail I will again offer the amendment which has just been agreed to by the Senate.

Mr. GORE. Mr. President, I yield myself 2 minutes on the bill.

In view of the expressed sentiment of the Senate, the senior Senator from New Mexico has authorized me to say that he is willing to modify his amendment by striking out the period at the end of line 4 on page 2, inserting a comma, and the words "after having solicited the advice of proper State officials."

Does the Senator from New Mexico so modify his amendment?

Mr. CHAVEZ. It appears that the Senate wishes to have the advice of State highway officials before a determination is made. For that reason I agree with the Senator from Tennessee, and will modify my amendment to that effect.

Mr. KNOWLAND. Mr. President, reserving the right to object—and I shall personally not object to the Senator modifying his amendment, although unanimous consent is required for him to do so—I point out that the amendment would still leave the power in the hands of the Secretary of Labor, and there would be no appeal from his decision. Solicitation of the advice of State highway officials would be purely discretionary, and there is no indication that the Secretary would follow such advice. So I do not believe that the modified amendment would meet the point raised by the Senator from Arkansas; nor would it meet the very fundamental

problem which we have discussed all afternoon, namely, the fact that these highways are to be built by the State highway departments, and that the amendment would be an abridgement of the rights of the States.

Mr. GORE. Mr. President, I ask unanimous consent that the senior Senator from New Mexico may be permitted to modify his amendment in the manner he has indicated.

Mr. BRIDGES. Mr. President, reserving the right to object, the distinguished Senator from New Mexico has a perfect right to offer his amendment, as we all know. However, it would be an empty gesture. It would provide for the solicitation of an opinion, with no way of providing the Secretary with anything more than an opinion. I shall not object, but the amendment would be an empty gesture.

Mr. CHAVEZ. That is a matter of opinion. I believe in the right of disagreement. I do not think it would be an empty gesture. When a Federal official inquiries of a State government, or a State highway department, with respect to matters pertaining to the highway program, that is not an empty gesture.

I have more faith in our State officials, possibly, than do some others. But I believe that when the Federal Government is paying 90 percent of the cost of the highways, the Federal Government should at least have the right of determination. I am willing to modify the extent of such authority by providing for the solicitation of the opinion of the State highway department.

That is why I seek to modify my amendment. I thank the Senator from Tennessee for asking unanimous consent that my amendment may be modified to that extent.

Mr. CASE of South Dakota. Mr. President, reserving the right to object—and I shall not object, because I think the Senator from New Mexico should have permission to modify his amendment—I should like to bring to his attention the other point involved in the Knowland amendment, which has not been discussed, namely, the question of predetermination. Even with the language as proposed to be modified, it seems to me that the difficulty is that there is no predetermination. I think an essential part of the Knowland amendment was the provision for predetermination, so that wages would be set forth in the project advertisement, and so that the bidder would know what he was bidding upon.

I wonder if the distinguished Senator from New Mexico would include in his proposed modification of his amendment the addition of these words:

Such prevailing wages shall be predetermined, and shall be set out in each project advertisement for bids and each bid proposal form, and shall also be made a part of the contract covering each project.

Mr. CHAVEZ. Mr. President, I feel that the Senator's suggestion is very good. The only difficulty I see is that there are 48 different highway departments and 48 different highway commissioners. Every State is different. As the Senator knows, usually the members

of the highway commissions in the several States are appointed by the governors of the States.

Mr. CASE of South Dakota. What I have suggested would not go to that point. It would merely require that the Secretary of Labor shall make his determination before the contract is let, instead of afterward, so that the contractor would know it when he made his bid.

Mr. CHAVEZ. I would have no objection to it.

SEVERAL SENATORS. Regular order! The VICE PRESIDENT. The regular order has been requested.

Mr. KNOWLAND. Mr. President, may we have the request restated?

The VICE PRESIDENT. The Senator from Tennessee has requested that the Senator from New Mexico be permitted to modify his amendment to the extent suggested by him.

Mr. KNOWLAND. May we have the language read?

The VICE PRESIDENT. The Secretary will read the suggested modification.

The LEGISLATIVE CLERK. On page 2, line 4, it is proposed to strike out the period, substitute a comma therefor, and insert the following language: "after having solicited the advice of proper State officials."

Mr. CASE of South Dakota. I understood the distinguished chairman of the committee to say that he would have no objection to adding the requirement of predetermination.

Mr. CHAVEZ. By the Secretary of Labor.

Mr. CASE of South Dakota. Yes. I would add at the end of the amendment, as modified, the following sentence:

Such prevailing wages shall be determined and shall be set out in each project advertisement for bids, and in each bid proposal form, and shall also be made a part of the contract covering each project.

Mr. KNOWLAND. Mr. President, reserving the right to object, would the Senator be willing, in view of the judgment of the Senate just recently expressed on his amendment, to modify it, after the words "Secretary of Commerce," by adding the words "based on findings made by the appropriate State agency, which shall be binding on the Secretary"?

Mr. CHAVEZ. I am afraid not. I should like to have the Federal Government have some finality in the determination.

Mr. KNOWLAND. There we have the fundamental issue, I believe, between the two situations. It is a question whether the wage rates of the States shall be imposed.

Mr. CHAVEZ. I am acting more and more like a Republican, and the Senator from California is acting more and more like a Democrat.

Mr. KNOWLAND. I am proud to act like a Jeffersonian Democrat, if that is still popular in this Chamber.

Mr. HOLLAND. Mr. President, I should like to ask a question of the Senator from California relative to the issue before the Senate now. I ask unanimous consent that I may do so at this time.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. HOLLAND. In the event the amendment of the Senator from New Mexico remains as it is now, and is voted down on a motion to lay on the table, as the Senator from California has suggested he will make such a motion, is it or is it not the purpose of the Senator from California to offer again in the same words the amendment which the Senate has adopted, addressed this time to the committee amendment?

Mr. KNOWLAND. If the motion which I intend to make, to lay on the table the amendment of the Senator from New Mexico, shall prevail, I intend to offer an amendment to this section and in exactly the same words as the amendment just recently approved, and in precisely the same form.

Mr. HOLLAND. Mr. President, I object to the request.

The VICE PRESIDENT. Objection is heard.

Mr. GORE. Mr. President, I shall now use 2 minutes on the bill, which I yield to myself.

Mr. President, the issue is now sharply drawn. The Senate now has a clear-cut choice. Does the Senate wish to apply to a 90-percent Federal grant of funds to construct interstate highways the Federal prevailing wage provisions of law?

It needs no argument, and I shall make no further argument. If we cannot apply Federal wage standards to projects to which the Federal Government contributes 90 percent of the funds, then for what reason do we have Federal wage standards?

Unless the Davis-Bacon provision of law, written into law by a Republican Congress under the leadership of a Republican administration, cannot be applied to projects to which the Federal Government contributes 90 percent, then we may as well repeal the Davis-Bacon Act.

I yield back the remainder of my time.

Mr. KNOWLAND. Mr. President, I yield myself 3 minutes. I do not believe that the arguments made by the Senator from Tennessee are valid. It seems to me that the fundamental constitutional principle at issue today is whether we are to apply for the first time in this type of program Federal regulations upon the 48 sovereign States. If it be said that we are going to do it with reference to a project calling for a 90-percent Federal contribution, what are we going to do in the case of a project that calls for an 80-percent or 70-percent or 60-percent Federal contribution? Where are we going to draw the line? If we are to do it on the principle that the Federal Government will build the roads, then we are proceeding on the wrong premise. In that case, what we should do is turn over to the Federal highway officials the entire sum of money to be spent and tell them to build the Federal highway system. If we wish to impose the discretion of Federal officials upon State authorities, without any appeal, then we should vote for the Chavez amendment.

However, let us not in the future hear the plea for States' rights or for sovereignty of States, if today we override those rights and the sovereignty of the

States, by giving to any Federal official, I care not what his party political affiliation may be, the right to override State authority and override State-established customs and laws, and to do so without any right of appeal. That is the fundamental issue before the Senate today. I am proud, as one Republican in the Senate, to appeal to my Democratic friends on the other side of the aisle: "If you want to uphold the rights of the States in this Chamber, now is the time, this is the place, and this is the issue."

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. KNOWLAND. I yield.

Mr. LEHMAN. I wonder whether the Senator heard the statement made by the distinguished Senator from Arizona [Mr. GOLDWATER], that of the 48 States of the Union, only 25 have thus far established a means of regulating prevailing wages. If that be the case, will the Senator from California agree with me that it will take a long, long time for the States to set up the necessary procedure. This will particularly be true in view of the fact that some legislatures do not meet more than once every 2 years, and therefore there will be great delay caused among the States which have not provided this kind of machinery?

Mr. KNOWLAND. I do not agree that there will be any delay on the highway program. I have served as a member of the legislature of my State, and the distinguished Senator from New York has served as Governor of his State. I have never taken the position that all the wisdom is concentrated in the Federal Government in Washington. We have a great Nation of 165 million people. The founders of this Republic wisely created a Federal system. The 48 States now build their highways. We are making a contribution toward an Interstate System which will be built by the States. Why should we say that we have no confidence in the States, and why should we try to impose the discretion and administration of one Federal official on the States without any right of appeal? I have more confidence in the States than to do that to them.

Mr. LEHMAN. Mr. President, will the Senator yield further?

Mr. KNOWLAND. I yield.

Mr. LEHMAN. If it is a fact that only 25 of the 48 States have provided the necessary procedure by which prevailing rates of wages can be regulated, I again ask is not delay inevitable, in view of the fact that no legislatures are in session now, and that in many States biennial sessions are held?

Mr. KNOWLAND. That may be; but the opposite argument to the argument of the Senator from New York is that, if the States fail to keep up to what may be considered proper standards, we will impose the Federal will upon them. I do not think that should be done. I believe that the 48 States are 48 experimental laboratories. I believe that the States in many activities are actually ahead of the Federal Government, and I do not believe we should try to impose a pattern on the 48 States of the Union based on what some officials in Washington may determine it should be. The

people elect the legislatures and the legislatures can pass new laws. I will not sit here, so long as I have a voice and a vote, and impose the will of the Federal Government upon States in connection with a matter which is properly the function of the States.

Mr. LEHMAN. Mr. President, I do not wish to delay the Senator any longer, but I would appreciate it if he would yield to me once more.

Mr. KNOWLAND. I am glad to yield.

Mr. LEHMAN. If what the Senator has said is correct—and I know that anything he says is correct—how does he justify the fact that in at least nine of the Federal-aid programs the Davis-Bacon Act is in effect and provides the procedure which is followed?

Mr. KNOWLAND. Because I think as to most of the instances to which the Senator refers, for example, construction in connection with flood control, the work is done by a Federal agency, the Army engineers. But this is not such a case. These roads are not to be built by Army engineers. They are not to be built by the Federal Highway Division; they are to be built by the highway departments of the 48 States of the Union.

Mr. LEHMAN. I have in mind for instance the building of hospitals, under the Hill-Burton Act, Lease Purchase Contracts Act, Slum Clearance Act, and the FHA housing program. In all of these and others, the Federal Government makes relatively small contributions. In the Federal interstate road program the Government pays 90 percent of the cost.

Mr. HUMPHREY. Mr. President, will the Senator from Tennessee yield me a little time?

Mr. GORE. Mr. President, I yield 2 minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I wish to say to the Senator from California that he has made an eloquent plea for States rights. If he would amend his plea and make it for the people's rights, I would be more impressed. The right of a State to do what? To depress wages? The right of the States to have inferior standards? No one would complain if a State wants to go above the prevailing wages. We have tried to raise the standard of living in this country. I think, as I have said on other occasions, that we should distinguish between States rights and the people's rights.

The Senator from California says the States are going to build these highways. I ask, with whose money? The Federal Government is to contribute 90 percent of the money. That money does not come in equal proportions from every State. Some States have high wage standards. The State of Illinois will help pay for highway construction, or the people of the State of Illinois will pay. The State is a legal structure. It has no spirit or soul. What is important is the people of the State—the people who live and work in the respective States.

The people of the State of Illinois and the State of Minnesota will be paying taxes, and I think they have a right to expect that those taxes will not depress wages.

I am in somewhat of a quandary with respect to the Senator's position—

The VICE PRESIDENT. The time of the Senator from Minnesota has expired.

Mr. GORE. Mr. President, I yield 1 additional minute to the Senator.

Mr. HUMPHREY. Frankly, I am in a quandary about the position of the Senator from California. Is he saying to the Senate that we should repeal the part of the Federal Airport Act which relates to prevailing wages? Airports are a part of the transportation system of this country, as are Federal highways. Is the Senator saying that every one of the bills we have passed, such as the bill for hospital construction, the bill for slum clearance, and so forth, to which the Davis-Bacon Act applies, ought to be repealed? Those are laws under which private groups share in the cost of the projects.

I think the Senator's argument is more or less a legal one which would make a fine treatise in a law journal, but it does not make much economic sense.

Mr. KNOWLAND. Mr. President, I yield myself two minutes.

I should like to say to the Senator from Minnesota that it is because I believe in human rights and the people's rights that I am here advocating States rights. The men who drafted our Constitution were very wise. They knew that when a people had lost their freedom they had lost it primarily because of concentration of power in the Nation's Capital, and usually because power was in the hands of a single individual. In drafting the Constitution, out of the wisdom of the ages, they created a division of power. They not only jealously guarded against power being concentrated in the executive, but provided for three coequal and coordinated branches of the Government, and to protect our freedom under those circumstances they made the Federal Government one of limited and specified powers, and reserved to the States and to the people thereof all other powers.

They did so fundamentally and primarily because they wanted to protect the people's rights, human rights. It was for that reason that they created this great constitutional system of ours.

I have no apologies to make for rising on the floor of the Senate and defending the rights of the States, because I think I am defending the rights of the people when I do so.

Mr. HUMPHREY. Mr. President, will the Senator from California yield further?

Mr. KNOWLAND. I have no additional time to yield.

The VICE PRESIDENT. The time of the Senator from California has expired.

The question now recurs on agreeing to the so-called Chavez amendment.

Mr. KNOWLAND. Mr. President, I move to lay the Chavez amendment on the table, and on that question I ask for the yeas and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from California to lay on the table the Chavez amendment. On this

question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll, and Mr. AIKEN voted in the negative when his name was called.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from California will state it.

Mr. KNOWLAND. As I understand, the vote is on my motion to lay on the table the Chavez amendment.

The VICE PRESIDENT. The Senator is correct.

Mr. KNOWLAND. A vote of "yea" is a vote to lay the amendment on the table; a vote of "nay" is a vote not to lay the amendment on the table.

The VICE PRESIDENT. The Senator is correct.

The clerk will resume the call of the roll.

The legislative clerk resumed the call of the roll.

Mr. ALLOTT (when his name was called). On this vote I have a pair with the junior Senator from Vermont [Mr. FLANDERS]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. EASTLAND (when his name was called). On this vote I have a pair with the junior Senator from Indiana [Mr. JENNER]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

Mr. POTTER (when his name was called). I have a pair with the senior Senator from Kansas [Mr. SCHOEPP]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

Mr. SMATHERS (when his name was called). On this vote I have a pair with the Senator from Kentucky [Mr. CLEMENTS]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. ELLENDER. On this vote I have a pair with my colleague, the junior Senator from Louisiana [Mr. LONG]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." I withhold my vote.

Mr. SMATHERS. I announce that the Senator from Kentucky [Mr. CLEMENTS], the Senator from Louisiana [Mr. LONG], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Texas [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from West Virginia [Mr. NEELY] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER] and the Senator from West Virginia [Mr. NEELY] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS], the Senator from Kansas [Mr. SCHOEPP], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from New York [Mr. IVES] is absent because of illness.

The result was announced—yeas 37, nays 41, as follows:

YEAS—37

Barrett	Frear	Robertson
Bennett	Fulbright	Russell
Bricker	George	Saltonstall
Bridges	Goldwater	Smith, N. J.
Byrd	Holland	Stennis
Carlson	Hruska	Thye
Case, S. Dak.	Knowland	Watkins
Cotton	Martin, Iowa	Welker
Curtis	Martin, Pa.	Williams
Daniel	McCarthy	Wofford
Dirksen	McClellan	Young
Dworshak	Millikin	
Ervin	Mundt	

NAYS—41

Aiken	Hayden	Mansfield
Anderson	Hennings	McNamara
Beall	Hill	Monroney
Bender	Humphrey	Morse
Bible	Jackson	Murray
Bush	Johnston, S. C.	Neuberger
Butler	Kennedy	O'Mahoney
Capehart	Kerr	Pastore
Case, N. J.	Kuchel	Payne
Chavez	Laird	Purcell
Douglas	Langer	Scott
Duff	Lehman	Smith, Maine
Gore	Magnuson	Symington
Green	Malone	

NOT VOTING—17

Allott	Ives	Potter
Clements	Jenner	Schoeppel
Eastland	Johnson, Tex.	Smathers
Ellender	Kefauver	Sparkman
Flanders	Long	Wiley
Hickenlooper	Neely	

So Mr. KNOWLAND's motion to lay on the table the amendment of Mr. CHAVEZ was rejected.

The VICE PRESIDENT. The question now is on agreeing to the amendment offered by the Senator from New Mexico [Mr. CHAVEZ].

Mr. RUSSELL. Mr. President, I ask for the yeas and nays.

The VICE PRESIDENT. The yeas and nays having been previously ordered, and all time on the amendment having expired, the clerk will call the roll.

The legislative clerk proceeded to call the roll, and Mr. AIKEN voted in the affirmative when his name was called.

Mr. CASE of South Dakota. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from South Dakota will state it.

Mr. CASE of South Dakota. Are we voting on the Chavez amendment as it was printed and as it was on the desks of Senators; or was the Chavez amendment modified in accordance with the request of the Senator from New Mexico?

The VICE PRESIDENT. The amendment was not modified. The vote is on the Chavez amendment as it is printed and as it appears on the desks of Senators.

Mr. CHAVEZ. I may say to the Senator from South Dakota that I asked to have it modified, but objection was made from this side of the aisle.

The VICE PRESIDENT. The clerk will resume the call of the roll.

The legislative clerk resumed the call of the roll.

Mr. ALLOTT (when his name was called). On this vote I have a pair with the junior Senator from Vermont [Mr.

FLANDERS]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. EASTLAND (when his name was called). On this vote I have a pair with the junior Senator from Indiana [Mr. JENNER]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I therefore withhold my vote.

Mr. ELLENDER (when his name was called). On this vote I have a pair with my colleague, the junior Senator from Louisiana [Mr. LONG]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore I withhold my vote.

Mr. SMATHERS (when his name was called). On this vote I have a pair with the Senator from Kentucky [Mr. CLEMENTS]. Were he present and voting, he would vote "yea." If I were permitted to vote I would vote "nay." I therefore withhold my vote.

The rollcall was concluded.

Mr. SMATHERS. I announce that the Senator from Kentucky [Mr. CLEMENTS], the Senator from Louisiana [Mr. LONG], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Texas [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from West Virginia [Mr. NEELY] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER] and the Senator from West Virginia [Mr. NEELY] would each vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS], the Senator from Kansas [Mr. SCHOEPPPEL], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from New York [Mr. IVES] is absent because of illness.

On this vote, the Senator from Kansas [Mr. SCHOEPPPEL] is paired with the Senator from Wisconsin [Mr. WILEY]. If present and voting, the Senator from Kansas would vote "nay," and the Senator from Wisconsin would vote "yea."

The result was announced—yeas 42, nays 37, as follows:

YEAS—42

Aiken	Hayden	Mansfield
Anderson	Hennings	McNamara
Beall	Hill	Monroney
Bender	Humphrey	Morse
Bible	Jackson	Murray
Bush	Johnston, S. C.	Neuberger
Butler	Kennedy	O'Mahoney
Capehart	Kerr	Pastore
Case, N. J.	Kuchel	Payne
Chavez	Laird	Potter
Douglas	Langer	Purcell
Duff	Lehman	Scott
Gore	Magnuson	Smith, Maine
Green	Malone	Symington

NAYS—37

Barrett	Curtis	Goldwater
Bennett	Daniel	Holland
Bricker	Dirksen	Hruska
Bridges	Dworshak	Knowland
Byrd	Ervin	Martin, Iowa
Carlson	Frear	Martin, Pa.
Case, S. Dak.	Fulbright	McCarthy
Cotton	George	McClellan

Millikin	Smith, N. J.	Williams
Mundt	Stennis	Wofford
Robertson	Thye	Young
Russell	Watkins	
Saltonstall	Welker	

NOT VOTING—16

Allott	Ives	Schoeppel
Clements	Jenner	Smathers
Eastland	Johnson, Tex.	Sparkman
Ellender	Kefauver	Wiley
Flanders	Long	
Hickenlooper	Neely	

So the amendment of Mr. CHAVEZ was agreed to.

Mrs. SMITH of Maine. Mr. President, I send to the desk my amendment, 5-21-56—A, and ask that it be stated.

The VICE PRESIDENT. The amendment will be stated.

Mrs. SMITH of Maine. Mr. President, I ask unanimous consent that the amendment be printed in the RECORD at this point, and that I be permitted to proceed.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The amendment of Mrs. SMITH of Maine, to the committee amendment was, on page 50, between lines 8 and 9, to insert the following new section:

SEC. 118. The Secretary of Commerce is authorized and directed to make a full and complete investigation and study for the purpose of determining what action can be taken by the Federal Government to promote the public welfare by increasing highway safety in the United States. In making such investigation and study the Secretary of Commerce shall give consideration to—

(1) the need for Federal assistance to State and local governments in the enforcement of necessary highway safety and speed requirements and the forms such assistance should take;

(2) the advisability and practicability of uniform State and local highway safety and speed laws and what steps should be taken by the Federal Government to promote the adoption of such uniform laws;

(3) possible means of promoting highway safety in the manufacture of the various types of vehicles used on the highways;

(4) educational programs to promote highway safety;

(5) the design and physical characteristics of highways; and

(6) such other matters as it may deem advisable and appropriate.

The Secretary of Commerce shall report his findings, together with such recommendations as he may deem advisable, to the Congress not later than June 30, 1957.

On page 50, line 9, strike out "Sec. 118" and insert in lieu thereof "Sec. 119."

On page 50, line 12, strike out "Sec. 119" and insert in lieu thereof "Sec. 120."

The VICE PRESIDENT. How much time does the Senator from Maine allot to herself?

Mrs. SMITH of Maine. I yield myself 12 minutes.

The VICE PRESIDENT. The Senator from Maine is recognized for 12 minutes.

Mrs. SMITH of Maine. Mr. President, the genesis of this amendment began 6 months ago, in November 1955, when I assured President Eisenhower of my full support of his leadership for highway safety, and announced that I would submit in the Senate a resolution calling for the Senate Labor and Public Welfare Committee to conduct an inquiry and study of highway safety to determine what action could be taken by

the Federal Government to stop the annual slaughter on the highways.

I stated that it was my hope that such a study would include statements and observations from, first, highway officials of the several States as to their possible needs with respect to paying for adequate enforcement forces; second, automobile manufacturers with respect to emphasis on safety features on automobiles such as seat belts, crash cushioning, polaroid lights, and other safety features, rather than current emphasis on increasing the speed and horsepower of automobiles; and third, highway safety experts with respect to the advisability and practicability of uniform safety and speed laws.

On January 5, 1956, I submitted Senate Resolution 156, which incorporated these objectives. I regret to say that as of this time the committee to which the resolution was referred has not given it any consideration.

However, I am grateful that within the last 2 weeks individual Members of the Senate have evidenced similar interest. On May 24, 1956, my good friend and former resident of Maine, the senior Senator from Illinois [Mr. DOUGLAS], submitted a Senate resolution similar to mine of 5 months before, calling for an investigation by the Committee on Labor and Public Welfare of means of effecting greater highway safety.

Since he was until recently a member of the Committee on Labor and Public Welfare, I sincerely hope that he will receive greater response from that committee to his resolution than I have.

On May 16, 1956, another of my good friends and colleagues in the Senate, the junior Senator from Minnesota [Mr. HUMPHREY] announced his enlistment in the cause for an investigation and study for greater highway safety, with the notice that he intended to offer an amendment to the highway bill to authorize and direct the Secretary of Commerce to make such a study.

The amendment I offer now to the highway bill lifts the language of my Senate Resolution 156, which I submitted 5 months ago, and applies it to the Secretary of Commerce, instead of to the Senate Committee on Labor and Public Welfare. By no means does this amendment mean that I have abandoned all hope that the Senate will make such a study. To the contrary, I am more hopeful that it will, now that the senior Senator from Illinois has also submitted a resolution calling for the same thing.

Instead, I hope that this grave and awesome problem may receive twofold consideration, and may be tackled by both the legislative branch and the executive branch.

Mr. GORE. Mr. President, will the Senator from Maine yield?

Mrs. SMITH of Maine. I prefer to finish my statement, and then I shall be glad to yield.

Mr. GORE. Certainly.

Mrs. SMITH of Maine. Mr. President, I am sure that the Senate needs no extended discussion of details in support of my amendment, the need is so clear and commanding.

We Americans have immediate concern over war casualties, but we have

failed to show an equal concern about highway casualties. Yet, Mr. President, recklessly driven vehicles can, and do, kill Americans just as completely as bombs do.

On Wednesday we shall make many Memorial Day speeches honoring those killed in war, and vowing that every effort must be made to prevent future war killings. Yet, we scarcely give attention to stopping the highway killings—which, ironically enough, will be high on Memorial Day.

In fact, the annual automotive killing is approaching 40,000 lives, in addition to the million Americans injured and the economic loss of billions of dollars each year from automotive accidents.

I do not propose Federal intervention in State matters; but I do believe that 40,000 deaths, a million injuries, and a multi-billion-dollar economic loss caused by automotive accidents so greatly affect the welfare of Americans nationally that our Federal Government, both Congress and the executive branch, has a grave responsibility to study the matter and determine how it can effectively and appropriately assist in lowering this awesome annual loss.

All of us agree that something should be done. But our lack of response to the urgency of the matter is almost unbelievable. It is like the weather—we just talk about it, instead of doing something. While we cannot do much about the weather, we certainly can do much about stopping the high rate of mass murder and maiming on our highways.

One might ask what relevance a safety-welfare measure has to a highway construction bill. The answer is very simple and very direct; it is just this: We are putting jet cars on horse-and-buggy roads. That is one of the reasons why 40,000 Americans are being killed every year.

I want to commend the junior Senator from Minnesota [Mr. HUMPHREY] for his action on his amendment, which has substantially the same objective as that of my amendment. However, in all seriousness and sincerity—and without any pride of authorship, for—after all—it was essentially drafted by the Senate legislative counsel—I submit that my amendment is preferable. It is preferable for the following reasons:

In the first place, my amendment would require the Secretary of Commerce to report 2 years sooner than the amendment of the junior Senator from Minnesota would. My amendment would require a report to be made within 1 year, but not later than June 30, 1957, whereas the amendment of the junior Senator from Minnesota would allow a period of 3 years and would permit the report to be made by June 30, 1959.

My amendment differs on the time aspect, because while I acknowledged that studies sometimes take a great deal of time, all of us realize that a study or survey can sometimes be the means of brushing something aside and letting the mere operation of time kill it. I do not want that to happen in this case, because I consider this matter to be extremely urgent, inasmuch as nearly 40,000 people are killed on the highways

each year. At that rate, we cannot afford to wait for 3 years.

Time is of the essence. This cannot be a leisurely, take-your-time approach; and to allow longer than 1 year for the making of the first report would be just tragically too long.

Certainly if more time is needed—as I would expect, because I think this study should be a continuing one—the authorization for the study can be extended.

My point is that the sooner a report is required, the sooner we shall get corrective action; and the sooner we get corrective action, the sooner we shall save lives and stop wholesale slaughter on the highways.

My amendment differs further from the amendment of the junior Senator from Minnesota in that my amendment would specifically bring into participation in the making of such a study and investigation with Federal officials, the representatives of automobile manufacturers, as well as State and local officials.

My amendment proposes a study of the advisability of having uniform State and local highway safety and speed laws, and proposes a study of vehicles, educational programs, and other facets. Although these might be covered by the amendment of the junior Senator from Minnesota, they are not specifically covered by it, and we have no specific assurance that they would be covered by it.

One final and very personal word on this important subject: In all the years I have served in the House and the Senate there is nothing that I have wanted to be adopted by Congress more than the amendment I am now offering. I feel that way because I know of nothing worthier for Congress to do than to save lives. There could be no greater gratification to me than to have the Senate adopt what might be known as the Smith Life Saving Amendment.

Mr. MORSE. Mr. President, will the Senator from Maine yield?

The PRESIDING OFFICER (Mr. GOLDWATER in the chair). Does the Senator from Maine yield to the Senator from Oregon?

Mrs. SMITH of Maine. I am very glad to yield.

Mr. MORSE. I rise to support the amendment of the Senator from Maine and to commend her for the leadership she is giving the Senate in connection with the safety drive she is making by means of the Smith amendment.

I wish to say that in the course of her remarks the Senator from Maine gave the American people, I believe, the clear call of duty in connection with this matter. It seems probable that this year approximately 40,000 persons will be slaughtered on our highways. In my opinion, that makes this issue one of the major domestic issues confronting us, insofar as moral problems are concerned—and this is a problem of good morals. In my judgment, good morals are vitally connected with good government.

I am particularly glad that the Senator from Maine has indicated by her amendment that State agencies, traffic

safety groups, and State councils are to be called on to be of assistance in connection with the survey which is to be made. I am particularly pleased that her amendment calls for a 1-year time limit, because—and now I speak as a former member of the Committee on Public Works—we have a great wealth of material which needs to be correlated and coordinated into findings and conclusions which can be presented to both Federal and State officials.

Last of all, I wish to point out that when I was a member of the Committee on Public Works the experts who testified before it were unanimously in agreement about the problems and dangers arising from the high-powered automobiles now in use. The distinguished Senator from Maine has used a very apt phrase in that connection; she has referred to such high-powered automobiles as jet automobiles, which is exactly what they are. We should face the fact that the horsepower placed under the hoods of modern automobiles is far in excess of what is reasonably needed for transportation and turns such automobiles into dangerous weapons. We can provide all the safety programs we may wish to provide, but until we construct highways which can safely accommodate automobiles of this type we shall not make much of a dent on the casualty lists.

That is why this provision belongs in a road-building bill. I think it is important to emphasize the fact that our road builders, the Federal agents who are to make use of Federal funds in the States, have a clear moral obligation to see to it that the results of such a study and survey as the Senator from Maine proposes are put to work in building safer highways.

I congratulate the Senator from Maine for the great leadership she is giving to us on this subject.

Mrs. SMITH of Maine. I thank my distinguished colleague from Oregon. As always, he is constructive and cooperative, and I appreciate his kind words.

Mr. CHAVEZ. Mr. President, I have conferred with other members of the Public Works Committee with reference to the amendment which the Senator from Maine has suggested. We accept it, and we assure her that we will try to save it in conference.

Mrs. SMITH of Maine. I thank the distinguished Senator from New Mexico, chairman of the Public Works Committee. As always, he is most cooperative and helpful, and I greatly appreciate his statement.

Mr. HUMPHREY. Mr. President, I am more than happy to support the amendment of the Senator from Maine, which has been accepted by the committee chairman.

The PRESIDING OFFICER (Mr. CURTIS in the chair). Who is yielding time to the Senator from Minnesota?

Mrs. SMITH of Maine. Mr. President, I have the floor, and I am glad to yield.

Mr. HUMPHREY. I think this is one of the most important amendments that could be adopted to the bill. As the Senator from Maine has noted, I had

submitted an amendment of similar import. I think her amendment has some points in it which mine did not cover.

The Senator from Maine has been active in the fight for traffic safety for years. Let me say, as a colleague and friend of the Senator from Maine, that I submitted my amendment after receiving a letter from the American Automobile Association. I read a proposal by one of my colleagues in the House of Representatives, Representative JOHN A. BLATNIK, of the Eighth Congressional District of Minnesota. He talked with me about his proposal in the House, and hoped that we might be able to do something of a similar nature in the Senate. With that as a background, I submitted my amendment.

As a part of the legislative history I ask unanimous consent to have printed in the RECORD at this point in connection with my remarks a letter dated May 18, 1956, which I have received from the American Automobile Association. The letter is signed by Mr. Burton W. Marsh, director of the traffic engineering and safety department.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN AUTOMOBILE ASSOCIATION,
Washington, D. C., May 17, 1956.

Re proposed amendment to Federal-aid highway bill for traffic safety studies.

The Honorable HUBERT H. HUMPHREY,
United States Senate,
Washington, D. C.

DEAR SENATOR HUMPHREY: Attached are two copies of a suggested amendment to H. R. 10660, as now being considered in the Senate for the purpose of securing greatly needed traffic safety studies. Purposely, the proposed amendment has been reduced to what is considered to be the minimum practical number of words. It will be noted that it relates to section 10 (a) of the Federal-Aid Highway Act of 1954, which section reads as follows:

"The Secretary of Commerce is authorized in his discretion to engage in research on all phases of highway construction, reconstruction, modernization, development, design, maintenance, safety, financing, and traffic conditions, including the effect thereon of State laws, and is authorized to test, develop, or assist in the testing and developing of any material, invention, patented article, or process. The Secretary may carry out the authority granted hereby, either independently, or in cooperation with any other branch of the Government, State agency, authority, association, institution, corporation (profit or nonprofit), or any other organization or person. The funds required to carry out the provisions of this subsection shall be taken out of the administrative and research funds authorized by section 21 of the Federal Highway Act (42 Stat. 212), as amended. The provisions of section 3709 of the Revised Statutes (41 U. S. C., sec. 5) shall not be applicable to contracts or agreements made under the authority of this subsection."

The proposed amendment does three things over and beyond what is in section 10 (a): (1) It not only authorizes but directs that a comprehensive study of all phases of highway traffic safety be made. (2) It makes it clear that such study would include physical highway characteristics, but would not be limited thereto. It would also cover the human element, etc. (3) A report with recommendations is called for by a specific date. The traffic fatality total for 13 consecutive

months has been higher than that for the same month of a year earlier. Unless the situation is reversed, we are on our way this year to the highest number of persons ever killed by traffic accidents on our streets and highways.

A number of Members of Congress have expressed an interest in greater Federal activity in the field of traffic safety.

This amendment is also in line with a resolution adopted by the Committee on Research of the Advisory Council to the President's Committee for Traffic Safety. That Committee consists of 28 representatives of virtually all of the major national organizations in this country interested in traffic safety. In a meeting attended by 21 of these persons, there was a unanimous vote in favor of a study being made under the auspices of the Bureau of Public Roads and that this be provided for through congressional legislation.

For years, it has been recognized that there is great need for further study of basic causes of accidents and various national groups have called for such studies. Unfortunately, the resources have never been available and the studies have not been made. The need is especially urgent in light of the rapid growth of traffic involving an estimated 3 cars on the road 10 years from now compared to each 2 now.

Unless such a Federal study is provided for through congressional action, there is very little chance that these greatly needed researches will be conducted any time in the near future.

Such researches would benefit all classes of road users—the truckers, the motor bus group and passenger car owners. It would benefit rural areas, where three-fourths of the traffic fatalities occur, as well as urban areas.

It is our hope that some amendment will be introduced and acted upon on a bipartisan basis for the great benefit of all the people of our country.

We trust that this will provide information which will be useful to you in connection with this matter, and we stand ready to help you in any way that we can.

Sincerely,

BURTON W. MARSH,
Director, Traffic Engineering and
Safety Department.

Mr. HUMPHREY. I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table which I developed relating to the rate of automobile accidents, and showing the number of deaths taking place on our highways, as compared with the death rate and accident rate in other areas of American life.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

In 1954, 560,077 people died of diseases of the heart, 234,669 died of cancers, and 90,000 died of all accidental causes.

Of these 90,000 deaths, 36,000 (23.3 per 100,000) resulted from motor vehicle accidents.

Accidents are the leading cause of death in the age groups from 1 through 36 years.

Among accidents, motor vehicle accidents are the leading cause of accidental death in the age groups 1 through 65 years, falls being a more frequent cause of death for persons 65 years or older.

About 70 percent of all accidental deaths and about 75 percent of motor-vehicle accident deaths happen to men.

Combining some of the above facts, one might note the loss in family income earners and in younger men indicated by these facts:

Costs of accidents:

Estimated costs resulting from accidents in 1954

[Amounts in billions of dollars]

	Non-motor vehicle	Motor vehicle	All accidents
Losses of wages and probable future earning power.....	1.95	1.25	3.20
Property damage, including losses from fire.....	2.37	1.60	3.97
Medical expenses.....	.60	.10	.70
Administrative and claim settlement costs of insurance.....	.45	1.45	1.90
Total.....	5.37	4.40	9.77

Source: Accident Facts, 1955 edition: Chicago, National Safety Council, pp. 4 and 13.

Mr. HUMPHREY. In concluding my commendation of the Senator from Maine, let me say that I hope this project will get underway. Authority for this survey has been in the law. It is contained in the Highway Act of 1954, but there is no directive to the Secretary to perform. The amendment of the Senator from Maine would require the Secretary of Commerce to make a complete report as expeditiously as possible. I think it is a wonderful proposal.

Mrs. SMITH of Maine. I thank the distinguished Senator from Minnesota.

Mr. PAYNE. Mr. President, I, too, wish to join my colleagues in wholehearted support of the amendment which the chairman of the Public Works Committee has indicated his willingness to accept.

I ask unanimous consent that there be printed in the RECORD at this point as a part of my remarks a very excellent editorial entitled "Congress and Highway Deaths," published in the Boston Herald of May 25, 1956, paying high and well-deserved tribute to my senior colleague, the Senator from Maine [Mrs. SMITH].

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONGRESS AND HIGHWAY DEATHS

Maine's energetic lady Senator, MARGARET CHASE SMITH, is fighting for a two-part study of our highway death problem.

Senator SMITH feels the matter is so urgent that she is urging the Senate Public Welfare and Labor Committee to undertake one study, and the Secretary of Commerce to do a second.

The response she has been getting from her fellow Members of Congress has not been exactly overwhelming so far. Indeed it has been downright apathetic.

But by all rights there should be strong response to the Smith proposals. We hope Massachusetts' congressional delegation will line up solidly behind them.

For 40,000 useless deaths and 300,000 equally useless injuries—and there will undoubtedly be more when the next year's statistics roll in—mean something beside the numerous personal tragedies for the country as a whole.

These 340,000 casualties represent a frightful waste of our precious manpower resources. And there is an almost equally fantastic waste of the millions of tons of expensive steel, copper, chromium, glass, lead, rubber, paint, plastic, fabric and all the rest that goes into the manufacture of the automobile.

Consider also the thousands of hours spent by doctors and nurses patching up and attempting to save the victims—doctors and nurses who are needed elsewhere—and the tedious hours mechanics devote to repairing smashed vehicles—hours which could be better utilized to turn out new machinery.

Certainly a highway safety study is as important to the country as most of those which have been undertaken in recent years. Highway safety is as important as juvenile delinquency, crime, the stock market, narcotics, pornographic literature, coffee, lobbying and influence peddling, and the Voice of America. There have been investigations made of all these. It is time the spotlight was focused on the highway.

Highway safety concerns everybody—the urban dweller, the farmer, the suburbanite, rich man, poor man. It is a bipartisan issue—can you by any stretch of the imagination blame the Republicans or the Democrats (or even the Communists) for our bloody road record?

The fact is we can't blame anybody or anything at this point because we don't know who or what to blame. We desperately need to find out. Congress ought to get to work on it.

Mr. PAYNE. I urge the committee not only to take the amendment to conference, but to do everything possible to hold it in conference, so that the study may be undertaken.

I thank my distinguished colleague for yielding.

Mrs. SMITH of Maine. I thank my Maine colleague for his kind and generous remarks. I now yield to the junior Senator from Oregon.

Mr. NEUBERGER. Mr. President, I wish to join in commendation of the distinguished Senator from Maine. I remember reading about her work in behalf of highway safety before I ever came to the Senate.

I should like to ask a question, if I may, for the purpose of the legislative history with respect to her amendment. We all recognize her leadership in this field.

Many of us are interested in highway beautification, and in protecting the scenery along our highways. Is it possible that roadside distractions, which catch the eye of the driver and take it off the road ahead of him, might possibly come within the scope of the study proposed to be authorized by the amendment of the Senator from Maine? I refer to such things as unsightly signs, and so forth.

Mrs. SMITH of Maine. I am sure my amendment would cover anything that constituted a driving hazard and a threat to safe driving. Whether such a provision should be included in this amendment or in a separate amendment would be for the Senate to decide. I want to express my appreciation to the junior Senator from Oregon who shares my concern about saving lives and who repeatedly is so generous in his statements about me.

Mr. NEUBERGER. I thank the Senator very much.

The PRESIDING OFFICER. Do both sides yield back the unused time?

Mrs. SMITH of Maine. I am very glad to yield back my unused time.

The PRESIDING OFFICER. Does the opposition yield back the unused time?

Mr. GORE. Mr. President, I yield back the time on our side, and accept the amendment of the Senator from Maine.

The PRESIDING OFFICER. All time has been exhausted or yielded back.

The question is on agreeing to the amendment offered by the Senator from Maine [Mrs. SMITH] to the amendment of the Committee on Public Works.

The amendment to the amendment was agreed to.

Mr. GORE. Mr. President, it is the purpose of the acting majority leader—and he wishes to advise Members of the Senate accordingly—to proceed past the dinner hour in the hope of concluding consideration of the pending bill tonight. Apparently there remains only one more controversial amendment. It does not seem likely that we shall reach that controversial amendment, which relates to apportionment, for at least an hour or an hour and a half. When that amendment is reached, I shall suggest the absence of a quorum and have a complete call, in order that Senators may have an opportunity to return to the Chamber.

DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1957— CONFERENCE REPORT

Mr. RUSSELL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11177) making appropriations for the Department of Agri-

culture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of May 29, 1956, p. 9258, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on a certain amendment of the Senate to the bill H. R. 11177 entitled "An act making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes," which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
May 29, 1956.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 5 to the bill (H. R. 11177) entitled "An act making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1957, and for other purposes," and concur therein with an amendment, as follows: In lieu of the sum of "\$4,465,000" named in said amendment, insert: \$4,400,000.

Mr. RUSSELL. Mr. President, I move that the Senate agree to the amendment of the House to Senate amendment numbered 5.

The motion was agreed to.

Mr. RUSSELL. Mr. President, I submit for the record a comparative statement of appropriations and authorizations for 1956, and estimates and amounts recommended in the bill for 1957, and ask unanimous consent that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Comparative statement of appropriations and authorizations for 1956, and estimates and amounts recommended in bill for 1957

REGULAR ACTIVITIES

(TITLE D)

Agency and item	Appropriations, 1956 ¹	Budget estimates, 1957	House bill, 1957	Senate bill, 1957	Conference allowance, 1957
Agricultural Research Service:					
Salaries and expenses:					
Research.....	\$39,655,155	\$50,011,400	\$49,972,000	\$49,736,400	\$49,972,000
Plant and animal disease and pest control.....	20,652,920	26,200,000	22,694,000	26,665,000	26,204,000
Meat inspection.....	15,369,000	15,745,000	15,500,000	15,745,000	15,650,000
Total, salaries and expenses.....	75,677,075	91,956,400	88,066,000	92,146,400	91,816,000
Payments to States, Hawaii, Alaska, and Puerto Rico.....	24,753,708	29,503,708	29,503,708	30,753,708	29,503,708
Diseases of animals and poultry—Research.....	1,945,000	3,993,000	3,500,000	3,500,000	3,500,000
Animal disease laboratory facilities.....	250,000	18,915,000	10,000,000		
Total, Agricultural Research Service.....	102,625,783	144,368,108	131,069,708	126,400,108	124,919,708

¹ Includes funds contained in the "Second Supplemental Appropriation Act, 1956."

² Includes additional funds contained in H. Doc. 326, and \$39,400 for the Squaw Butte Experiment Station carried in budget estimate for Department of the Interior.

³ Includes \$2,500,000 contained in H. Doc. 383, and \$1,000,000 in H. Doc. 403, and \$1,500,000 in H. Doc. 407, of which \$1,250,000 to be immediately available.

⁴ Contained in H. Doc. 383.

Comparative statement of appropriations and authorizations for 1956, and estimates and amounts recommended in bill for 1957—Continued

REGULAR ACTIVITIES—continued

(TITLE D)

Agency and item	Appropriations, 1956	Budget estimates, 1957	House bill, 1957	Senate bill, 1957	Conference allowance, 1957
Extension Service:					
Payments to States, Hawaii, Alaska, and Puerto Rico.....	\$44,490,000	\$50,115,000	\$49,615,000	\$50,115,000	\$49,865,000
Federal Extension Service:					
Administration and coordination.....	1,980,000	2,065,000	2,000,000	2,035,000	2,000,000
Penalty mail.....	1,650,000	1,650,000	1,650,000	1,650,000	1,650,000
Total, Extension Service.....	48,120,000	53,830,000	53,265,000	53,800,000	53,515,000
Farmer Cooperative Service.....	427,000	\$ 577,000	550,000	550,000	550,000
Soil Conservation Service:					
Conservation operations.....	62,942,745	65,215,000	67,500,000	67,500,000	67,500,000
Watershed protection.....	11,994,065	16,000,000	17,500,000	17,500,000	17,500,000
Flood prevention.....	10,000,000	10,700,000	12,000,000	12,000,000	12,000,000
Water conservation and utilization projects.....		232,000	232,000	232,000	232,000
Total, Soil Conservation Service.....	84,936,810	92,147,000	97,232,000	97,232,000	97,232,000
Agricultural Conservation Program Service.....	214,500,000	225,000,000	217,500,000	250,000,000	227,500,000
Agricultural Marketing Service:					
Marketing research and service:					
Marketing research and agricultural estimates.....	11,652,630	\$ 13,565,000	13,000,000	13,265,000	13,200,000
Marketing services.....	12,674,510	13,016,000	13,000,000	13,020,000	13,020,000
Total, marketing research and service.....	24,327,140	26,581,000	26,000,000	26,285,000	26,220,000
Payments to States, Territories and possessions.....	1,000,000	\$ 1,200,000	1,100,000	1,200,000	1,160,000
School lunch program.....	83,235,212	83,236,000	100,000,000	100,000,000	100,000,000
Total, Agricultural Marketing Service.....	108,562,352	111,017,000	127,100,000	127,485,000	127,380,000
Foreign Agricultural Service.....	3,443,000	\$ 3,890,000	3,600,000	3,750,000	3,750,000
Commodity Exchange Authority.....	775,000	787,400	780,000	787,400	787,400
Commodity Stabilization Service:					
Agricultural adjustment programs.....	39,150,000	41,463,000	41,000,000	41,200,000	41,200,000
Sugar Act program.....	59,600,000	67,600,000	62,600,000	67,600,000	67,600,000
Total, Commodity Stabilization Service.....	98,750,000	109,063,000	103,600,000	108,800,000	108,800,000
Federal crop insurance, administrative expenses.....	6,209,985	6,210,000	6,210,000	6,210,000	6,210,000
Rural Electrification Administration, salaries and expenses.....	8,135,785	8,700,000	8,500,000	8,700,000	8,600,000
Farmers' Home Administration, salaries and expenses.....	26,389,480	26,405,000	26,405,000	26,805,000	26,750,000
Office of General Counsel.....	\$ 2,657,000	2,762,700	2,700,000	2,762,700	2,740,000
Office of Secretary.....	\$ 2,489,805	2,510,500	2,500,000	2,500,000	2,500,000
Office of Information.....	\$ 1,298,600	1,348,100	1,325,000	1,325,000	1,325,000
Library.....	609,950	773,000	725,000	773,000	735,000
Total, regular activities.....	709,970,550	787,888,808	783,061,708	817,880,208	793,294,108
Title II, corporate expenses, restoration of capital impairment.....	1,634,659	929,287,178	929,287,178	929,287,178	929,287,178
Title III, special activities.....	184,513,109	271,165,682	271,163,682	271,163,682	271,163,682
Total.....	896,118,318	1,989,841,668	1,983,512,568	2,018,331,068	1,993,744,968

* Includes additional funds contained in H. Doc. 326.

* Includes \$401,000 transferred from other appropriations.

* Includes \$113,345 transferred from other appropriations.

* Includes \$17,100 transferred from other appropriations.

Permanent authorizations

Agency and item	Authorizations, 1956	Budget estimates, 1957	House bill, 1957	Senate bill, 1957	Conference allowance, 1957
Agricultural Marketing Service:					
Perishable Agricultural Commodities Act fund.....	\$460,000	\$460,000	\$460,000	\$460,000	\$460,000
Removal of surplus agricultural commodities.....	166,761,959	199,525,000	199,525,000	199,525,000	199,525,000
Total, Agricultural Marketing Service.....	167,221,959	199,985,000	199,985,000	199,985,000	199,985,000
Commodity Stabilization Service: National Wool Act.....	187,684	25,390,728	25,390,728	25,390,728	25,390,728
Total, permanent appropriations.....	167,409,643	225,375,728	225,375,728	225,375,728	225,375,728

Loan authorizations

(TITLE I)

Agency and item	Authorizations, 1956	Estimates, 1957	Recommended in House bill for 1957	Recommended in Senate bill 1957	Conference allowance 1957
Rural Electrification Administration:					
Electrification.....	\$160,000,000	\$145,300,000	\$145,300,000	\$214,000,000	\$ 214,000,000
Telephone.....	75,000,000	49,500,000	49,500,000	100,000,000	100,000,000
Total, Rural Electrification Administration.....	235,000,000	194,800,000	194,800,000	314,000,000	314,000,000
Farmers Home Administration:					
Farm ownership and housing.....	\$ 24,000,000	19,000,000	19,000,000	24,000,000	24,000,000
Production and subsistence.....	137,500,000	140,000,000	140,000,000	180,000,000	165,000,000
Soil and water conservation.....	11,500,000	5,500,000	5,500,000	10,500,000	5,500,000
Total, Farmers Home Administration.....	173,000,000	164,500,000	164,500,000	214,500,000	194,500,000
Total, loan authorizations.....	408,000,000	359,300,000	359,300,000	528,500,000	508,500,000

* Includes \$5,000,000 contained in the "Second Supplemental Appropriation Act, 1956," under authority of title I, Housing Act of 1949, as amended.

* Of which not to exceed \$25,000,000 shall be placed in reserve.

* Of which not to exceed \$20,000,000 shall be placed in reserve.

* Includes authorization for an additional \$15,000,000.

Corporate expenses

(TITLE II)

Agency and item	Authorizations, 1956	Estimates, 1957	House bill, 1957	Senate bill, 1957	Conference allowance, 1957
Federal crop insurance:					
Transfer from premium income.....	(\$1,500,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)	(\$2,000,000)
Commodity Credit Corporation:					
Restoration of capital impairment.....	1,634,659	929,287,178	929,287,178	929,287,178	929,287,178
Administrative expense limitation.....	(30,750,000)	(31,000,000)	(31,000,000)	(31,000,000)	(31,000,000)
Total, corporate expenses.....	1,634,659	929,287,178	929,287,178	929,287,178	929,287,178

Special activities

(TITLE III)

Agency and item	Appropriations, 1956 ¹	Budget estimates, 1957	House bill, 1957	Senate bill, 1957	Conference allowance, 1957
Research on strategic and critical agricultural materials.....	\$314,000	\$316,000	\$314,000	\$314,000	\$314,000
Reimbursements to Commodity Credit Corporation for non-price-support activities:					
Animal disease eradication.....	5,788,897	13,060,954	13,060,954	13,060,954	13,060,954
Grading and classing.....		367,740	367,740	367,740	367,740
Special commodity disposal programs.....	178,410,212	257,420,988	257,420,988	257,420,988	257,420,988
Total, reimbursements to Commodity Credit Corporation.....	184,199,109	270,849,682	270,849,682	270,849,682	270,849,682
Total, special activities.....	184,513,109	271,165,682	271,163,682	271,163,682	271,163,682

Farm Credit Administration

(ADMINISTRATIVE EXPENSE LIMITATIONS)

(TITLE IV)

Agency and item	Authorizations, 1956	Budget estimates, 1957	House bill, 1957	Senate bill, 1957	Conference allowance, 1957
Farm Credit Administration.....	\$2,320,000	\$2,230,000	\$2,230,000	\$2,230,000	\$2,230,000
Federal Farm Mortgage Corporation.....	550,000	(¹)	550,000	550,000	550,000
Federal intermediate credit banks.....	1,825,000	1,932,000	1,932,000	1,932,000	1,932,000
Production credit corporations.....	1,595,000	1,644,000	1,644,000	1,644,000	1,644,000
Total, Farm Credit Administration.....	6,290,000	5,806,000	6,356,000	6,356,000	6,356,000

¹ Indefinite authorization.FEDERAL-AID HIGHWAY ACT
OF 1956

The Senate resumed the consideration of the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes.

Mr. HAYDEN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Arizona will be stated.

The CHIEF CLERK. On page 44, line 15, it is proposed to strike out "\$10,000,000" and insert "\$12,500,000."

Mr. HAYDEN. Mr. President, both the House bill and the committee amendment provide for an authorization of \$10 million for the construction, improvement, and maintenance of roads on Indian reservations. I desire to stress the point that these funds are to provide for both construction and maintenance. This is not true with respect to the funds authorized for the road and parkway program of the National Park Service, amounting to \$23,500,000. A separate appropriation is made annually for the maintenance of the road and parkways system of the Park Service. For the fis-

cal year 1957 this amounts to over \$4,500,000. On the other hand, of the \$10 million authorized for Indian roads for fiscal year 1957, \$2,200,000 will have to be used for maintenance of the existing road system.

Therefore, Mr. President, I am offering an amendment to increase this authorization from \$10 million to \$12,500,000. This increase is fully warranted to accelerate road construction on all reservations to meet the growing need for a system of improved roads adequate to the social and economic needs of the residents on these Indian lands.

The Bureau of Indian Affairs maintains a road program and is responsible for Indian roads on 132 reservations serving 337,966 Indian people and with a total area of 51,488,258 acres, or 80,450 square miles, an area larger than that of all of the 6 New England States.

The need for more and better roads is illustrated by the Navaho-Hopi Reservation, which is an area almost as large as the State of West Virginia, and is served only by Bureau roads except for State highways along the outer edges. Due to the discovery of uranium and oil, the area is involved in an industrial development and requires more and better roads to serve the greatly increased traffic. Congress recognized the need of the Navaho-Hopi people in the Navaho-Hopi Rehabilitation Act of April 19, 1950, by including \$20 million for a 10-

year road-construction program. Even with increased appropriations the Indians will be fortunate if that congressional promise is made good in 20 years.

There are over 75,000 Navaho Indians residing on their reservation in Arizona, Utah, and New Mexico, over half of whom have not learned to speak the English language primarily because lack of roads has isolated them from contact with English speaking people. Lack of roads has prevented the operation of reservation schools, with the result that there are now more than 5,000 Navaho children of school age who have never been in school. Inadequate transportation is one of the main reasons why within the past 3 years more than 5,000 Indian children have been taken from the reservation to attend public school in the adjacent cities and towns where they have been provided with board and lodging.

Mr. GORE. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. GORE. I have examined the amendment which the distinguished Senator from Arizona has offered, and I have also conferred with other members of the committee. The amendment is agreeable to them and it is agreeable to me. I accept the amendment.

Mr. HAYDEN. I yield back the remainder of my time.

Mr. GORE. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN].

The amendment was agreed to.

Mr. BARRETT. Mr. President, I call up my amendment "5-28-56-Q."

The PRESIDING OFFICER. The Secretary will state the amendment.

The CHIEF CLERK. On page 42, line 20, it is proposed to strike out "\$22,500,000" and insert in lieu thereof "\$33,750,000."

Mr. BARRETT. Mr. President, I yield myself 10 minutes.

At long last it looks as though we are going to get a highway bill. As everyone knows, our highways deteriorated terribly during the last world war. I doubt, however, if it is fair to lay all the blame for the outrageous condition of our Federal-aid highway system to the delay occasioned by the war. The fighting ended 10 years ago; yet the big end of the job of modernizing our outmoded and antiquated national road system remains to be done.

While present-day cars are designed for the atomic age, comparatively speaking, the roads they must travel are of the horse and buggy days. That is precisely why we have 100 people killed and 3,000 injured every day of the year on these obsolete highways. However, as I said before, it appears now that before many years roll by we can look forward to a highway system worthy of the name of our great country. That will be true, Mr. President, of all but one segment of our complex network of highways.

There is an old saying that a chain is no stronger than its weakest link. I wish to say something about that weak link in our national highway system. I refer now, Mr. President, to our forest highways. The system has been the orphan of the highway program for years on end. It still is. Compared with the rest of the system, the condition of the forest highways on the whole have been simply terrible for many years. Under this new program as now proposed they may even be worse. These particular highways in many cases have been not only inadequate and outmoded but dangerous and deplorable as well. Sad to relate there is no hope for improvement of these particular highways in this bill.

All our highways except forest highways are handsomely taken care of in this bill. We can look forward to tremendous progress on the primary, the secondary, the urban, and the Interstate System, but at present the case of the forest highways looks hopeless.

Under the 1948 act, \$202 million was authorized annually for the primary, \$135 million for the secondary, and \$112.5 million for the urban system. Under the present Senate bill it is exactly twice that amount for each—\$404 million for the primary, \$270 million for the secondary, and \$225 million for the urban system. I have no objection whatever to a 100-percent increase in these funds. I cer-

tainly agree with the statement in the Senate committee's report on page 5:

By increasing the funds for the primary, secondary, and urban systems above the level now in effect, the committee desired to avoid an unbalanced program that would permit further deterioration of the primary, secondary, and urban systems, so vital to our economy. As great as the need for completing the Interstate System may be, it should not be undertaken at the expense of the secondary and farm-to-market roads.

The Interstate System is set up in a grand way. In both the House and the Senate bills, about \$25 billion of Federal funds are made available for interstate roads over the next 13 years. But what about the forest highway system? The Senate bill provides \$22,500,000 for the forest highways. That represents a 12½ percent increase over the 1948 act. It is true that the House provided \$25 million for forest highways, but I can establish the point that even that figure is only about half as much as should be authorized. Forest highways are of tremendous importance to the people of the country, particularly to the people of the Western States. About 86 percent of our national forest area is located in the 12 Western States and our national forests comprise about one-tenth of the land area of this country. That the whole country is interested in our national forests and in the highways leading into them is self-evident by reason of the fact that more than 100 million people visited the forests last year. It might be pointed out, also, that a great portion of the transcontinental traffic moves through our national forests and, in fact, it is almost impossible to travel to the west coast by car without using a forest highway. While our forest highways are, therefore, of tremendous importance to the motoring public, yet for defense purposes alone it must be borne in mind that our forest highways are vital connecting links in our vast highway system.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. BARRETT. I am glad to yield.

Mr. CASE of South Dakota. I wish to commend the Senator from Wyoming for his diligence and his interest in bringing up the matter of forest highways. I shall support his amendment. I wish the Record to show, however, that the figure of \$22,500,000 for forest highways and trails represents an increase over the amount provided for forest roads and trails prior to 1955. In 1954 we increased the authorization from \$17½ million to \$22½ million. In addition to that, we wrote into the law the language which appears in the pending bill as section 109, and which is also contained in the Highway Act of 1954. It provides:

Any funds authorized herein for forest highways, forest development roads and trails, park roads and trails, parkways, Indian roads, and public lands highways shall be available for contract for 1 year in advance of year for which authorized.

We did that—and I know the Senator from Wyoming is familiar with this fact—because for many years the appropriations were not coming up to the level

of the authorizations. They ranged from \$9,892,000 in 1949 to \$13 million, \$14 million, and \$16 million a year. In other words, there was a gap between the authorizations and the appropriations. By inserting this contract authority, we made it possible to provide for forest highways and trails the money which the committees have felt should be provided.

Mr. BARRETT. I may say to the distinguished Senator from South Dakota that I am aware of that fact. I also wish to say that the contract authority was added to the bill by the distinguished Senator, Mr. CASE, and I commend him for it. I certainly agree that it was the greatest single factor in forest highway improvement in a long time.

Mr. CASE of South Dakota. I appreciate what the Senator has said. If he will yield to me further, I should like to read into the Record what the Under Secretary of Agriculture, Mr. True D. Morse, said in a letter to the committee in 1954:

In fiscal year 1953 the national forest timber cut was about 1.5 billion feet below the allowable cutting capacity. In that year the loss to the Federal Government through inability to market mature timber was about \$20 million in potential gross revenue. Losses of this character will continue from year to year until a major part of the access-roads system has been installed.

I bring that to the attention of the Senate because I do not believe it is generally realized that money spent for building access roads actually brings money back into the Treasury. The Assistant Secretary of Agriculture tells us that \$20 million was lost in 1953 alone because of the lack of access roads. That is why it will pay us to adopt the amendment offered by the Senator from Wyoming, because we will get the money back in increased timber sales.

Mr. BARRETT. I thank the distinguished Senator from South Dakota for his splendid contribution.

Mr. President, the forest highway system comprises the main and secondary roads within and adjacent to the national forests, which are located in 38 of the 48 States, and have a total length of 24,275 miles. The forest highway system was set up under the Federal-Aid Road Act of 1916 and the Federal-Aid Highway Act of 1921. There are three classes of forest roads. Class I consists of 9,290 miles of forest highways which are on the Federal-aid primary system, class II consists of 8,858 miles of forest highways on the Federal-aid secondary system, and class III consists of 6,127 miles of forest highways on State and local but not on the Federal-aid system. About 12,000 miles or roughly one-half of the forest highway system in the United States are located within the area of South Dakota and the 11 public-land States of the West. The following table shows the miles in each of these States by classes.

Mr. President, I ask unanimous consent to have printed in the Record a table setting forth the number of miles of forest highways in the 12 Western States, including the State of South Dakota.

There being no question, the table was ordered to be printed in the RECORD, as follows:

Mileage of the National Forest Highway System, by forest road class and by State, as of June 30, 1954

State or Territory	Total miles	Class 1 miles	Class 2 miles	Class 3 miles
Western States:				
Arizona.....	1,059.2	406.1	384.0	269.1
California.....	2,460.6	675.3	305.0	1,480.3
Colorado.....	1,507.0	583.0	466.0	458.0
Idaho.....	1,122.0	600.4	132.9	328.7
Montana.....	1,190.5	669.9	168.3	322.3
Nevada.....	318.8	157.2	130.8	30.8
New Mexico.....	652.0	204.0	293.0	155.0
Oregon.....	1,423.2	716.8	397.3	309.1
South Dakota.....	302.0	189.0	101.0	12.0
Utah.....	716.0	187.0	245.0	284.0
Washington.....	755.8	387.7	114.0	254.1
Wyoming.....	492.0	353.0	109.0	30.0
Alaska.....	365.9			365.9
Total.....	12,365.0	5,219.4	2,846.3	4,299.3

Mr. BARRETT. Mr. President, this system is not thoroughly connected, but by all manner of means the first two classes of that system consisting of 8,064 miles are an integral part of the Federal aid system. More than two-thirds of each class of forest highway roads in the western area are badly in need of improvements. I raise no point here, Mr. President, that such a vast part of our public domain was set aside as a national forest reserve and locked up for all time in Federal ownership. I do say, however, that such being the case, the responsibility for these lands and for the highways crossing them belongs wholly and completely to the Federal Government. The House committee, on page 7 of its report on the highway bill of this year, recognized this responsibility in these words:

The committee feels that the authorizations in the Federal Aid Highway Act of 1954 for forest highways, forest development roads and trails, park roads and trails, and parkways, which are the prime responsibility—

I emphasize the words "prime responsibility"—

of the Federal Government, should be increased to provide for accelerated improvement programs in these Federal domain roads.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. BARRETT. Mr. President, I yield myself 5 additional minutes.

Mr. President, the fact of the matter is that instead of accelerating the construction of additional forest highways this bill will in fact retard the development program. While we are increasing the development of our primary system by 100 percent over 1948, our secondary system by 100 percent over 1948, and our urban system by 100 percent over 1948, the fact remains that we are increasing forest highways in this bill by only 12½ percent. The increased demands on the States for funds to match the accelerated program of the Federal-aid system and the Interstate System will make it impossible for the States to spend any State funds on forest highways. As the House committee report so well pointed

out, the responsibility is primarily that of the Federal Government. For that reason it seems to me that we should by all manner of means increase the funds for forest highways.

Mr. President, I have placed in the rear of this Chamber a map showing the forest highways in the 12 Western States. A look at it will disclose beyond question that these highways are an integral part of our Federal aid primary system.

A few years back the Congress asked the Bureau of Public Roads to submit an estimate of forest highway needs. As a result of the survey, it was apparent that more than two-thirds of the forest highways were badly in need of reconstruction or improvement, in fact, 97 percent of the 16,500 miles in that classification were considered critically in need of immediate improvement. To meet these critical needs it was estimated that for the 10-year period commencing in 1955 \$1,292,904,000 would be needed. At the rate of \$22,500,000 a year it would take well over 50 years to complete that program, and that, Mr. President, is precisely why I rise to speak on this subject matter here today.

Of course, it is ridiculous to talk about taking a half a century to complete a road system. In 1948 the Bureau of Public Roads estimated the 10-year needs for the forest highways in the Western States would cost \$679 million. Between that time and 1954 \$204 million was spent on the forest highways of the West and, by the way, half of it was State funds; and yet in 1954 when the new estimate was made it was reported that \$736 million would be needed in the next 10 years on the western forest highways, which meant an increase of \$56 million in needs notwithstanding the expenditure of \$100 million of Federal funds and \$100 million of State funds.

Now, assuming, Mr. President, that the appropriations for forest highways total \$22½ million each year for the next 10 years, then it would be safe to figure that a total of about \$165 million of Federal funds will be available for expenditure on these roads over a 10-year period. That represents about one-fifth of the estimated 10-year needs for forest highways in the Mountain States. I venture the statement, Mr. President, that will be just about all that will be spent on forest highways during that period of time, notwithstanding the fact that the construction of these roads is a prime responsibility of the Federal Government as was so well pointed out in the House committee's report. The States of the West in years gone by have expended about \$202 million on forest highways.

Nearly every Western State has experienced great difficulty in matching Federal aid funds in recent years. In order to match the Federal funds on the new and expanded program, it will take about \$4 billion of new State matching funds during the next 13 years. In other words, it will take \$2½ billion to match the interstate funds and a billion and a half to match the expanded Federal aid program. I know that my State will experience great difficulty in raising the necessary State funds in order to match

the expanded program. I am sure that is true of the other Western States.

If the States are short of matching funds when the new program gets underway, it is an absolute certainty that State funds will be used, first, to match the interstate program; secondly, to match the Federal aid primary, secondary and urban program; and no State funds will be available for forest highways except Federal funds. That is why I say, Mr. President, that while forest highways have been the forgotten man of the highway system up to now, the prospects are that it will be much worse under the new program.

The importance of our forest highways in relation to the vast Federal-aid system in the Western States can best be demonstrated by a map which has been prepared by the Bureau of Public Roads. A glance at this map will show that these relatively short stretches of forest highways are important links in our Federal-aid system and assume a vital role in the overall use of the principal roads in the West. It is most difficult, as can be seen, to travel to any part of any of our Western States without traveling over a forest highway. The forest highways shown on this map are only class I forest highways, since they connect with the Federal-aid primary system. Not shown on this map are the many hundreds of additional miles of forest highways which connect with Federal-aid secondary and county roads.

As can readily be seen from the map, it is virtually impossible for anyone to travel from any of the Great Plains States to the west coast without using a forest highway. Thus these highways can be seen in their true light as an integral part of the great transportation system which enables goods and people to move to and from the great industrial areas on the west coast.

A survey has shown that the forest highways represented on this map are more deficient than the adjoining sections of Federal-aid primary routes and, therefore, are the weakest links in this system. Our forest highways remain far from adequate to meet present-day requirements and are becoming even more inadequate as the traffic problem increases and needed improvements are postponed. Bureau of Public Roads engineers report that in general, during each decade since 1920, it has been necessary to raise the standards of such design features as alignment, roadway width, steepness of grades, surface thickness, and drainage, in order to accommodate the constant increase in traffic volumes and loads being carried. An age analysis shows that 55 percent of the system in the Western States was constructed prior to 1940 with the result that most of the surface has reached the end of its economical life.

Highway usefulness is closely associated with the age of the road. In this regard rather comprehensive studies have been made on primary highways in a group of Western States, including 5 States with national forests. The results of this study have revealed that pavements of surface-treated types have

an average life of about 11 years and the heavier road-mix type have a life expectancy of 17 years.

In addition to the surface inadequacies, there is a great need of reconstruction to ease sharp curves and steep grades to accommodate the increased volume of fast-moving and heavier-laden vehicles. Such improvements contribute much to the safety of the traveling public.

It is also important that 26 percent of the class I forest highway mileage has widths of less than 19 feet. Engineering studies show that roads with less than 19 feet of width present extremely dangerous conditions for present day traffic. Two vehicles cannot comfortably meet and pass without one or both moving partially off the surfaced area. The result of this additional wear on the surface edges is that maintenance costs are increased due to the rapid breakdown of the surfaced roadway area.

In recent years the use of forest highways has increased in proportion to the increased use of Federal-aid primary roads. It is quite evident that this use will continue to increase along with the economic development of the Western States. All observations, statistics, and studies definitely indicate the need for a greatly accelerated program if our forest highways are to be developed to a reasonable standard along with other segments of our highway system.

To illustrate more graphically the forest highway situation in the 12 Western States, I have prepared a chart which shows the comparison of forest highway mileage which needs improvement as compared to the total mileage. The chart shows the situation with regard to class I forest highways, and reveals that more than 66.7 percent are in need of improvement. These highways are connecting links on the Federal-aid primary system.

Mr. President, I ask unanimous consent to have this chart printed in the RECORD as a part of my remarks.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Forest highway system (12 Western States)
(Class I)

State	Mileage			
	Good	Poor	Total	Percent poor
Arizona.....	152	254	406	62.6
California.....	277	398	675	58.9
Colorado.....	425	158	583	27.1
Idaho.....	157	503	660	76.2
Montana.....	178	521	699	74.5
Nevada.....	56	101	157	64.3
New Mexico.....	61	143	204	29.9
Oregon.....	141	576	717	80.3
South Dakota.....	38	151	189	79.8
Utah.....	92	95	187	50.8
Washington.....	46	342	388	88.1
Wyoming.....	112	241	353	68.3
Total.....	1,735	3,483	5,218	66.7

Mr. BARRETT. Mr. President, the survey conducted by the Bureau of Public Roads in 1954 shows that \$31,519,353 was expended on forest highways in the 12 Western States in 1954. This amount takes into account forest highway funds of \$15,602,788, Federal-aid funds of

\$36,166,138, and State funds of \$9,750,427. Even if it were possible to spend \$32.5 million on forest highways during the next 10 years, it would mean a total expenditure of \$325 million which would be less than half the amount required to meet the estimated 10-year needs for these States. However, Mr. President, I fear that only \$165 million of forest highway funds will be available during that period of time for the roads in the Western States. As I have pointed out, the States simply will not have the funds to spend on these Federal forest highways.

Insofar as the West is concerned forest highways are located, for the most part, in mountainous areas where construction is expensive and difficult. Rugged winters in the high altitudes break up road surfaces and cause rapid deterioration of highways and State highway departments must exert constant effort to keep these roads in a "passable condition." However, these highways are important segments of the Federal-aid primary and secondary systems and should come up to the same standards as the main transportation routes.

The highway legislation now before Congress provides a 13-year program for enlarging and improving the Federal highway system. It seems to me that it is good, sound planning to provide adequately for every part of our complex Federal-aid system. The House has approved of only a slight increase for forest highways. The Senate Public Works Committee has recommended no increase at all.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a copy of the resolution of the Western Association of Highway Officials, adopted at their convention on April 12 last.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION 3

Whereas the forest highway system is deficient for present-day needs; and

Whereas the present annual authorization rate of \$22,500,000 for forest highways will not allow completion of this system to adequate standards for over 30 years; and

Whereas the construction of many important sections of the forest highway system is lagging behind the other portions of the Federal aid system: Now, therefore, be it

Resolved, That the Western Association of State Highway Officials, in convention assembled at Phoenix, Ariz., on April 12, 1956, urgently requests the Congress of the United States to take the necessary action to speed up the construction of the forest highway system to keep pace with the other Federal aid systems, and that copies of this resolution be sent to Members of Congress of the Western States and to members of the appropriate committees.

Mr. BARRETT. Mr. President, I yield myself 5 additional minutes.

I have not mentioned the matter of forest development roads, park roads, and parkways, although I am just as vitally interested in these other roads on the public lands. I believe that they too are important links in our overall highway system. I shall support the Senator

from Utah [Mr. BENNETT] in his efforts to increase funds for these roads.

Mr. President, if we are to develop a well coordinated plan for an integrated highway system, it seems to me that it is absolutely essential that at least connecting links of the Federal aid primary system, known as class I forest highways, should be stepped up in the expanded program in the same fashion as are the other important highways. In order to correct this situation, Mr. President, I am submitting an amendment which will increase by one-half the authorization for forest highways in the Senate committee bill. To my way of thinking, such an increase is manifestly fair and proper. I trust the amendment will be adopted.

Mr. LANGER. Mr. President, will the Senator from Wyoming yield?

Mr. BARRETT. I promised to yield first to the Senator from Utah [Mr. BENNETT].

Mr. BENNETT. Mr. President, I should like to address a question or two to my colleague from Wyoming.

As my colleague knows, there are on the desk three amendments, one of which relates to other forest highways, and the others to national park roadways and parkways. One of the amendments was offered by the distinguished Senator from Oregon [Mr. NEUBERGER], and the other two have been offered by myself. It seems to me that the other amendments are really a part of the program which the Senator from Wyoming has been discussing. I wonder if he would consider modifying his amendment so as to take in the figures of these other amendments, covering forest trails, and raising the amount from \$24 million to \$27 million, raising the figures covering park roads from \$12,500,000 to \$16 million, and the figures covering parkways from \$11 million to \$16 million. These were the figures authorized by the House. If the Senator would consider modifying his amendment to include these figures, then the time of the Senate could be saved and we would not be under the necessity of offering additional amendments.

Mr. BARRETT. I should be delighted to do that. As I said before I am very interested in increasing the funds for forest trails, for park roads, and for parkways. The reason why I did not add those items to my own amendment was because I knew the Senator from Utah [Mr. BENNETT] had an amendment to increase funds for those highways and I proposed to support his amendment and I may say that sometime back I joined with my colleague [Mr. O'MAHONEY] in the introduction of a 10-year national park bill to implement Mission 66.

Mr. President, I send to the desk an amendment which will incorporate the suggestions made by the distinguished Senator from Utah [Mr. BENNETT].

Mr. BENNETT. I wish to express my personal gratitude to my colleague from Wyoming for his action, and to say to him that I had the privilege of discussing this proposed action with my colleague from Oregon, who joins me in the request. He is on the floor and may wish to express his point of view, but I am grateful for this opportunity.

I thank the distinguished Senator from Utah.

The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming will be stated for the information of the Senate.

The CHIEF CLERK. On page 42, line 20, it is proposed to strike out "\$22,500,000" and insert in lieu thereof "\$33,750,000," (2) to strike out "\$24,000,000"; and insert in lieu thereof "\$27,000,000"; at the proper place in section 107 (a) to strike out "\$12,500,000" and insert in lieu thereof "\$16,000,000," and in section 107 (b) to strike out "\$11,000,000" and insert in lieu thereof "\$16,000,000."

Mr. CASE of South Dakota. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from South Dakota will state it.

Mr. CASE of South Dakota. As I understand, the Senate has already agreed to an amendment offered by the distinguished senior Senator from Arizona [Mr. HAYDEN], so the amount provided for Indian roads has already been changed. We have now provided for all the roads for which contract authority is established in section 109, namely, forest highways, forest development roads and trails, park roads and trails, parkways, Indian roads—in fact, all except the public lands highways.

Mr. BARRETT. I think the Senator from South Dakota is correct.

Mr. President, it seems to me that it is only fair, right, just, and proper that Congress should accept the responsibility which the House committee so clearly pointed out in its report, and should provide adequate funds for the construction of the forest highways, park roads and trails, and forest trails in the public domain States of the West.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BARRETT. I yield.

Mr. LANGER. Has any provision been made for access roads to mines supplying strategic materials?

Mr. BARRETT. Yes; I am certain provision has been made for such roads.

Mr. CASE of South Dakota. Formerly provision was made for a separate category of access roads under the allocations made to the Atomic Energy Commission and other agencies. More recently, however, appropriations have been made directly to the Atomic Energy Commission and the Department of Defense for access roads.

I may say that I think the Senator from Wyoming has put his finger on an important point, namely, that the Federal Government should take as good care of its own lands as it does of lands belonging to others. I hope Congress will accept the responsibility, so that proper provision can be made for the public lands.

Mr. LANGER. Should not the bill contain a provision for access roads to mines?

Mr. CASE of South Dakota. Access roads to uranium deposits can be made available through funds provided for the Atomic Energy Commission.

Mr. LANGER. I was not speaking principally about uranium; I was speaking also about antimony, tungsten, and other ores.

Mr. CASE of South Dakota. Two million dollars has been provided in the bill for public lands roads.

Mr. LANGER. I do not come from a mining State, but I think such a provision should be included in the bill.

ACCESS ROADS TO MINES ON PUBLIC LANDS

Mr. MALONE. Mr. President, will the Senator yield?

Mr. BARRETT. I yield.

Mr. MALONE. I discussed the Senator's proposed amendment with him before he offered it. I think he has offered an excellent addition to the bill.

Would the Senator accept an addition to his amendment providing for access roads to mineral deposits?

We understand that the Atomic Energy Commission has provided for access roads to uranium deposits. Uranium has captured the headlines and the imagination of the public. However, there are several other minerals, including tungsten, manganese, columbium, tantalum, beryl, and asbestos, without which a jet engine cannot be built. The Atomic Energy Commission has nothing to do with those minerals whatsoever, and provision for access roads to mines producing these minerals on public lands.

Mr. BARRETT. I have not had an opportunity to discuss the matter of allocations, but an increase in the amount will make it possible, of course, for more access roads to be developed.

Mr. MALONE. Will the Senator from Wyoming accept an amendment at the proper place in the bill?

Mr. BARRETT. If the Senator from Nevada will prepare an amendment, I will ask the acting majority leader if we may use some of his time, so that the Senator from Nevada and I may have an opportunity to discuss the text of the amendment.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. BARRETT. I believe my time has expired.

Mr. CASE of South Dakota. There is not a mile of forest trails and roads built with Federal funds in the Black Hills of South Dakota which does not afford an opening to some mining property. I think the increase to \$27,500,000 which has already been made for the forest trails is itself a means of providing access to a great many mining prospects. At least, that is the case in the Black Hills.

Mr. GORE. Mr. President, will the Senator yield?

Mr. BARRETT. I yield.

Mr. GORE. How much time does the Senator think he will require in order to prepare his amendment in the form in which he wishes to offer it?

Mr. BARRETT. Only a matter of a few minutes.

Mr. GORE. Mr. President, I yield 5 minutes to the distinguished junior Senator from Oregon.

Mr. NEUBERGER. Mr. President, I support the amendment which has been offered to increase the amounts for forest roads, and I shall support a further amendment which will bring those other public-land area sums up to the figures which are contained in the House bill.

The amounts in the House bill, as well as the additional amounts proposed for forest roads in the amendment offered by the Senator from Wyoming [Mr. BARRETT], are fully justified by the increased demands on the forest and park roads system. The sound management of national forests for lumbering, recreation, and other uses requires construction of roads to improve accessibility.

I point out that these roads are not financed from gas tax or other highway-user levies, but from funds derived from the sale of timber harvested from the national forests. Forest development roads in the Pacific northwest more than pay for themselves in the additional sums made available to the Federal Treasury, through better access to federally owned timber and increased competitive bidding when it is offered for sale. Furthermore, these roads offer smaller firms an opportunity to bid on this timber. They thus help to prevent monopoly in the lumber industry.

It is estimated that the forest road-building programs of the past have provided \$2 in revenue for every \$1 invested by the Federal Government.

The large benefits from improved forest access roads also accrue to millions of anglers, hikers, hunters, campers, recreationists, and others who vacation in our national forest areas. During recent years, recreational use of these outdoor playgrounds has almost tripled. Additional roads will open new areas to large numbers of vacationists who seek relaxation in the forested areas of our public domain.

Similar conditions prevail with respect to our national parks and national monuments, which are visited each year by increased numbers of vacationists. While we are improving our Federal-aid highway systems for the benefit of the motoring public, we should also provide roads and connections from these highways into the vast Federal recreational areas. Improvement of the roads and parkways in national forests and parks is urgently needed in order that millions of pleasure-seeking American motorists will have a place to go off the improved Federal-aid highway system.

Mr. President, I believe that the increased authorizations proposed by these amendments constitute a realistic approach to the attainment of a beneficial objective, and I urge their adoption.

I hope that the distinguished Senator from New Mexico [Mr. CHAVEZ], who is Chairman of the Committee on Public Works, will consent to take to conference the proposals for increased funds.

Mr. GORE. Mr. President, I yield 5 minutes to the senior Senator from Oregon.

Mr. MORSE. Mr. President, I wish to commend the Senator from Wyoming [Mr. BARRETT] for his amendment in regard to forest access roads. It is, in my judgment, very similar to the amendment of my colleague, the junior Senator from Oregon [Mr. NEUBERGER], since he has accepted modifications of his amendment along the line of the amendment of the junior Senator from Oregon.

I cannot overemphasize the importance of the proposal to increase the authorization for forest access roads and for roads and trails in our national parks.

FOREST HIGHWAYS; FOREST DEVELOPMENT ROADS AND TRAILS

Forest highways are arterial highways which constitute a segment of the Federal-aid road system. Forest development roads and trails are tributary roads in the forests which link remote forest areas with our main highways.

My colleague and I went before the House Committee on Public Works and explained the importance of increasing the authorizations on these items. We were supported by communications from the distinguished majority leader [Mr. JOHNSON of Texas] and Senators MAGNUSON, JACKSON, LEHMAN, DOUGLAS, SCOTT, HUMPHREY, SPARKMAN, KEFAUVER, and MURRAY, all of whom expressed approval of our proposals. We demonstrated to the satisfaction of the subcommittee and the full committee that it is good business to increase the authorization for forest access roads. Consequently, the House of Representatives increased the authorization for forest highways from \$22.5 million to \$25 million for each of the fiscal years 1958 and 1959. It also authorized an increase of from \$24 million to \$27 million per annum for forest development roads and trails.

Following that testimony, Mr. President, I received letters from Mr. BLATNIK and Mr. BUCKLEY. I ask unanimously consent that the two letters be printed in the RECORD at this point in my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 25, 1956.

HON. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: Without your excellent and detailed testimony before our Public Works Committee, the forest highway and timber access authorizations in the pending Federal highway bill would not have been increased. Many of us on both sides of the aisle knew that these programs were beneficial to sound development of our national forests. We were faced with unwillingness by the administration to present a realistic program.

You came over and testified for yourself and 11 other Senators, including the distinguished majority leader LYNDON JOHNSON, Senator SYMINGTON, and Senator KEFAUVER. The testimony you gave caused the committee to review the whole program and to make increases.

I know that the increases are not as large as they should be, but I also know that this example of congressional interest should be a strong indication of the feelings of the committee for the guidance of the executive branch.

The confidence that your colleagues, the Oregon House Members and the recreationists and lumbermen of the West, placed in you to be the major spokesman before our committee is well deserved.

Your testimony provided the impetus for increases in the basic programs necessary for wise development of our natural resources. As a man with a deep interest in conserva-

tion, I want to express my appreciation for the service you have rendered. It is another in a long list of your accomplishments in the public interest.

My kindest personal regards.

Sincerely yours,

JOHN A. BLATNIK,
Member of Congress.

COMMITTEE ON PUBLIC WORKS,
HOUSE OF REPRESENTATIVES,
CONGRESS OF THE UNITED STATES,
Washington, D. C., April 24, 1956.

HON. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: I wanted to express my personal thanks for the excellent service you have performed for conservation and full development of our natural resources in connection with the Federal highway bill.

When the bill reached the full committee, I looked it over carefully. The administration had not requested that either the forest highway or forest development road and trail item for the Forest Service be increased.

I had studied your testimony in behalf of increased roads into our public timber, and was deeply impressed by the compelling reasons you set forth. It was my conviction we would err unless we provided an increase. However, in the absence of Administration support for the type of increase you suggested, and the time element involved in conducting further hearings, I felt only one sound course was open to us. We could increase the program to show the executive branch that we recognized the merit of the program, and thus encourage them to get their facts together later to present a realistic long-term program.

I felt, however, that increases should be made on both access roads and forest highways, which also serve timber and recreational use. Two and one-half million dollars was added for forest highways and \$3 million for forest development roads and trails.

The Oregon congressional delegation, which apparently let you, supported by Senator NEUBERGER, speak for the needs of Oregon, is indebted to you.

I am sure the people of your State will also fully appreciate your accomplishments in their behalf.

H. R. 10066 by Mrs. GREEN, of Oregon, a companion to your S. 3420, is before our committee. These bills formally propose a complete long-term access road program. I think your efforts in the current highway bill and the results, can give you every reason to believe that the committee is strongly interested in seeing a realistic long-term program developed.

We have worked hard to bring forth as nearly as perfect a program as we could achieve in the time available. It is a genuine source of pleasure to me to have had the type of constructive assistance you gave our committee.

Sincerely,

CHARLES A. BUCKLEY,
Chairman, Committee on Public Works.

Mr. MORSE. Mr. President, the wisdom of the increased authorization becomes quite evident when we consider the handsome return to the Government that will accrue from an expanded program of developing our forest access roads. For example, in Oregon, the National Forests have vast stands of timber, some of which have reached maturity or have become overripe. Large areas of this fully matured timber are not being cut for the simple reason that we do not have access roads to remove the logs.

Before the access-road program was started, inaccessible Federal timber was developed by putting up a large block in

one sale. The successful bidder—and there was generally only one—would push a railroad or truck road into the timber, cutting as he went. The result was a minimum price to the Government and usually a very high cost for the construction of the access road, deducted from the proceeds of the sale of the timber.

Changes in logging techniques and the development of the modest access-road program presently being carried on by the Forest Service made it possible to make smaller sales in areas where access roads had been constructed. The net result has been that the Forest Service has made many smaller sales, has received better prices for its timber on competitive bids, and has been able to do a better job of forest management. Benefits to the Treasury have increased. To illustrate the wisdom of the access-road investment, let me cite the example of the Mount Hood National Forest. In 1942, a timber-access road was put into this forest with appropriated funds, and has been extended since that date. Six million dollars has been invested in the road to date, and the Government has received back \$9 million in cash from the sale of timber. From now on, this area alone will bring over a million dollars annually because of its development. In addition, the construction of a high-grade access road has increased recreationists from 3,000 to 112,000 a year.

I cite the foregoing example to show how important it is that we invest a relatively small amount in our Federal forests, so they may be operated on a business-like basis which brings heavy dividends to the American people who own the forests.

As presently set up, the appropriations for forest-access roads equal only 30 cents per acre of commercial timber lands in our national forests. By comparison, we are spending 60 cents per acre per year for access roads in our national parks; and at the current request level for the O. & C. lands of Oregon, we shall be spending \$2.25 per acre.

The amendment would bring the forest highways authorization back to \$25 million per year, and would restore the \$27 million authorization for forest development roads and trails. I urge its adoption because it constitutes a wise business practice and sound forest management.

NATIONAL PARK ROADS

The amendment also proposes to restore the \$16 million per year item for park roads and trails, which was recommended by the House of Representatives. The Senate Committee reduced this amount to \$12.5 million for each fiscal year from 1958 to 1961, inclusive. I also urge that the House action approving an authorization of \$16 million per annum for parkways be restored. The Senate committee had reduced this figure to \$11 million for the fiscal years 1958 to 1961, inclusive. The benefits of these roads, trails, and parkways to our national park system are many and varied. The House action promises sound management of our national park system.

CONCLUSION

These roads do not cost the taxpayer 1 cent, and they make money for the Treasury. The question before the Senate is whether we shall increase revenue by building more roads, using experienced road contractors, and thereby enabling the Forest Service to sell its timber at better prices; or whether we shall continue to build access roads under timber sales contracts at higher costs, bringing less money for the timber when it is sold.

This program has merit. It does not increase the authority of the Government with respect to things that private industry can do.

For those of us who have a deep interest in the development and wise use of our natural resources, the amendment is of primary importance.

Mr. President, in my opinion, the people are greatly indebted to my colleague [Mr. NEUBERGER] for the excellent leadership he is extending to the conservation forces of the Nation in the fight he is making in the Senate to see to it that wise use is made of our timber resources on the basis of a sound conservation program. Mr. President, an access-road program is a sound conservation program.

Mr. O'MAHONEY. Mr. President—
Mr. GORE. Mr. President, does the Senator from Wyoming wish to have time yielded to him?

Mr. O'MAHONEY. I should like to have about 2 minutes yielded to me.

Mr. GORE. I yield 2 minutes to the junior Senator from Wyoming.

The PRESIDENT pro tempore. The Senator from Wyoming is recognized for 2 minutes.

Mr. O'MAHONEY. Mr. President, I wish formally to associate myself with the remarks of the Senators who are sponsoring the amendment. I am one of the sponsors of the amendment.

I am personally acquainted with conditions in the national forests. I feel that there can be no question about the need for this additional fund to improve the highways in and through the forests of the United States. These national forests were set aside for a great public purpose; and from the time when they were set aside during the administration of President Theodore Roosevelt, and until this hour, they have been productive of very good results, not only for the States in which the forests are located, but also for all the people of the United States.

The forests are great in extent. The terrain is mountainous. The difficulty of building roads there is such that the expense of their construction is too great for the States involved to bear. Frequently the areas of the forests are greater than several counties put together.

So it is important that the Federal Government, which manages the forests, also carry on the building of the roads within the forests.

Mr. President, I hope there will be no objection whatever to this amendment to the committee amendment.

I thank the Senator from Tennessee for yielding to me.

Mr. ALLOTT. Mr. President—

Mr. BARRETT. Mr. President, I yield 1 minute to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I wish to join the able senior Senator from Wyoming [Mr. BARRETT] in endorsing the amendment he has submitted. I am very happy to be a cosponsor of the amendment.

For many years I have had a great deal of interest in our national forests and our national parks for the use of all the people. It seems to me that the Senator from Wyoming has very ably pointed out the squeeze that the roads in the national forests are receiving as a result of the economy we now have and as a result of the expanded highway program.

I wish to join him in urging adoption of the amendment, which I believe will greatly expand the road program in the forests, for the benefit of the people of the Nation.

Mr. BARRETT. Mr. President, I wish to commend the distinguished Senator from Colorado for his very effective help in the drafting and preparation of the amendment and for his fine help on the floor of the Senate.

FEDERAL GOVERNMENT BUILD ROADS TO DEVELOP OWN LAND ACCESS ROADS TO MINERAL DEPOSITS

Mr. MALONE. Mr. President, will the Senator from Wyoming yield to me?

Mr. BARRETT. I yield to the Senator from Nevada.

Mr. MALONE. Mr. President, I have long believed—and I am sure the distinguished Senator from Wyoming will join me in this—that the Federal Government should at least contribute as much to the improvement of its own lands as it does to the improvement of others.

Access roads to mineral deposits on Government lands are very important to national defense as well as to the development of such lands.

I inquire whether the Senator from Wyoming would accept, as a modification of his amendment, the following:

On page 43 of the committee amendment, in line 23, after the word "amended" and the comma, to insert "and for access roads to mines on public lands."

And on the same page, in line 24, to strike out the figure "\$12,500,000" and insert in lieu thereof, instead of "\$16,000,000", "\$18,000,000."

Mr. BARRETT. Mr. President, I am glad to modify my amendment accordingly.

Mr. MALONE. Then, Mr. President, I should like to join the distinguished Senator from Wyoming in sponsoring the amendment.

Mr. BARRETT. Mr. President, I ask that the RECORD show that the Senator from Nevada is a cosponsor with me of the amendment.

The PRESIDENT pro tempore. Without objection, that will be done.

Mr. BARRETT. Mr. President, I modify my amendment accordingly.

The PRESIDENT pro tempore. The amendment as modified will be stated.

The CHIEF CLERK. On page 42, in line 20, it is proposed to strike out "\$22,500,000" and to insert "\$33,750,000."

On the same page, in line 23, it is proposed to strike out "\$24,000,000" and to insert "\$27,000,000."

On page 43, in line 23, after the word "amended" and the comma, it is proposed to insert "and for access roads to mines on public lands."

In line 24, it is proposed to strike out "\$12,500,000" and to insert "\$18,000,000."

On page 44, in line 6, it is proposed to strike out "\$11,000,000" and to insert "\$16,000,000."

Mr. GORE. Mr. President, I yield myself 2 minutes.

The PRESIDENT pro tempore. The Senator from Tennessee is recognized for 2 minutes.

Mr. GORE. Mr. President, I have followed the modified amendment as best I could, and I have read the text. I wish to be sure that it does not change the contract authorizations.

Do I correctly understand that the amendment as modified applies only to the amounts for the purposes stated in the bill, with the exception of the modification with respect to mines only, which the Senator from Wyoming accepted from the Senator from Nevada [Mr. MALONE]?

Mr. BARRETT. The Senator from Tennessee is correct.

Mr. GORE. Mr. President, I accept the amendment as modified.

Mr. BARRETT. I yield 2 minutes to the Senator from Idaho [Mr. DWORSHAK].

Mr. DWORSHAK. Mr. President, I am very happy to be a cosponsor with the senior Senator from Wyoming [Mr. BARRETT] of this amendment, and I am pleased to hear the acting majority leader say that he will accept the amendment.

The public lands States in the West have thousands of square miles of public domain. For example, in Idaho 65 percent of our total area is public domain, and it has been extremely difficult for the Western States to provide funds to match Federal funds with which to construct forest highways, especially.

I commend the Senator from Wyoming for sponsoring this amendment. I am sure it will be accepted by the conferees, because it merely accelerates the construction of highways over the public domain to a degree which is to some extent, at least, comparable with the greatly expanded highway construction programs throughout the entire country.

Mr. BARRETT. I thank the distinguished Senator from Idaho [Mr. DWORSHAK] for his splendid contribution. I also thank the distinguished Senator from Tennessee for his kindness in accepting this amendment. I hope the conference will agree to the amendment.

The PRESIDENT pro tempore. The time of the Senator from Wyoming has expired.

Mr. GORE. Mr. President, I yield back all of my remaining time, and ask for a vote.

The PRESIDENT pro tempore. All time has been exhausted or yielded back.

The question is on agreeing to the modified amendment offered by the Senator from Wyoming [Mr. BARRETT] for

himself and other Senators to the committee amendment.

The amendment to the amendment was agreed to.

Mr. KERR subsequently said: Mr. President, I ask unanimous consent that the distinguished acting majority leader, the Senator from Tennessee [Mr. GORE], may be permitted to yield 1 minute on the bill to me, so that I may clear up one point in my mind with reference to the amendment offered by the Senator from Wyoming [Mr. BARRETT], which amendment the Senate has adopted.

The PRESIDENT pro tempore. Does the Senator from Indiana yield for that purpose?

Mr. CAPEHART. I yield.

Mr. KERR. I should like to ask the distinguished Senator from Tennessee a question with reference to section 108, appearing at page 44 of the bill, beginning in line 22. That section authorizes the sum of \$2 million a year for each of 5 years for "the survey, construction, reconstruction, and maintenance of main roads through unreserved public lands, nontaxable Indian lands, or other Federal reservations."

Is it the understanding of the Senator from Tennessee that with reference to that authorization, contract authority is included in section 109, the section immediately following?

Mr. GORE. I have understood and now understand that sections 108 and 109 relate to the same subject. The contract authorization contained in section 109 does specifically relate to the contents of section 108.

Mr. KERR. In other words, section 108 is but one of the authorizations to which section 109 relates; is that correct?

Mr. GORE. Section 109 certainly relates to section 108.

Mr. KERR. The Senator is correct. Section 109 also relates to other sections preceding it, which have to do with authorizations for forest highways, forest development roads and trails, and park roads and trails.

Mr. GORE. On page 43.

Mr. KERR. On page 42, 43, and 44.

Mr. GORE. That is correct.

Mr. KERR. What I wished to clear up was that it also relates to the authorization in section 108.

Mr. GORE. I believe that is true.

Mr. KERR. I thank the Senator.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. CASE of South Dakota. I merely wish to add that that is my understanding of the intent.

Mr. KERR. I thank the Senator from South Dakota.

NOTICE OF HEARING ON NOMINATION OF HON. FRED A. SEATON TO BE SECRETARY OF THE INTERIOR

Mr. MURRAY. Mr. President, will the Senator from Tennessee yield to me?

Mr. GORE. Mr. President, I yield 1 minute to the senior Senator from Montana.

Mr. MURRAY. The President of the United States yesterday announced he

was nominating the Honorable Fred A. Seaton to be Secretary of the Interior. In view of the fact that this highly important post has remained vacant for some 6 weeks, since the resignation of Douglas McKay on April 15, I believe the Senate should act with all possible speed in considering the nomination.

Therefore, I am calling a meeting of the Senate Committee on Interior and Insular Affairs for next Monday, June 4, at 10 o'clock, in the committee room, No. 224 in the Senate Office Building, to act on the nomination, and have invited Mr. Seaton to attend the meeting.

This committee meeting will be public, and all interested Members of the Senate are invited to be present.

THE MEDITERRANEAN FRUITFLY—RELAXATION OF REQUIREMENTS FOR PERSONS ENTERING THIS COUNTRY

Mr. SMATHERS. Mr. President, will the Senator from Tennessee yield to me?

Mr. GORE. I yield 5 minutes to the Senator from Florida.

Mr. SMATHERS. Mr. President, during recent days much has been said and a lot has been done about two problems that concern, to one degree or another, virtually every family circle in the land.

One of these problems is the recent outbreak of the Mediterranean fruitfly. The second has to do with the illicit traffic in narcotics.

The first, if allowed to run its course, would destroy every fruit tree in the Nation. It would leave barren the rich citrus groves in my own great State of Florida, and those in Texas and California. It would strip naked the luscious peach orchards of Georgia, of Oregon, of Virginia, and the bountiful cherry trees of Michigan. No, the Mediterranean fruitfly is not a respecter of State boundaries. Neither is it a disciple of one political party, nor the tormentor of another. It is a common enemy of all the people.

I commend the members of the Appropriations Committee for their wisdom in providing additional funds to the Department of Agriculture with which to cope with the invasion of this dreaded enemy of every fruit producer in the Nation.

I commend the Members of the Senate for upholding the Appropriations Committee. I was confident the Senate conferees would not have difficulty in obtaining the concurrence of the House conferees. This confidence was upheld, for the House conferees did concur in this action, and the House and Senate adopted the conferees' report today. Funds will now soon be available to continue the campaign against this pest that so recently invaded our shores.

The illicit traffic in narcotics poses every bit as grave a problem to the youth of our Nation as does the Mediterranean fruitfly to the orchards of our land.

I have been greatly impressed by the tremendous job done by the Judiciary Committee in connection with the problem. I am confident their work will result in an awareness of the problem that will lead to appropriate legislation, both

on a national and on a local level. I am sure there will follow stricter enforcement of the laws and more stringent punishment of offenders.

However, it occurs to me that in both instances all too little attention has been and is now being given to our first line of defense against such attacks. I refer to the work of our customs inspectors and others who guard our borders against improper entry of any nature—including, but not limited to, such things as narcotics and plants bearing pests such as the Mediterranean fruitfly.

I cannot say that the present administration is responsible for either the illegal entry of narcotics or for the recent outbreak of the Mediterranean fruitfly. However, I do say that the procedures adopted by the present administration are such as to permit either situation to occur.

Shortly after this administration took office it abandoned the time-honored practice of conducting complete baggage inspection at our ports of entry. This was done ostensibly to effect a savings—a few minutes in the time of arriving passengers, and a few cents in the salary of the assigned inspector.

Even at this hour studies are underway looking to a further curtailment in the traditionally splendid and effective work of our customs department.

The plan under consideration involves abandonment of the traditional practice of requiring each person entering the country to submit a written declaration of articles being brought in. Instead, all that would be required is an "oral declaration" that nothing of a dutiable or restricted nature is being brought in.

The Post Office and Civil Service Committee has been concerned for many months with the steady curtailment of the work of the customs department. The chairman of that committee, the Senator from South Carolina [Mr. JOHNSTON], and the ranking minority member, the Senator from Kansas [Mr. CARLSON], appeared before the Appropriations Committee to invite the officials of the customs department to request sufficient funds to adequately perform their duties.

Nonetheless, the position of the Customs Department was stated as follows:

Prior to April 1953, it was the practice of this Bureau to inspect substantially every piece of passenger's baggage arriving by vessel and air into the United States. This inspection was made primarily for the purpose of determining dutiable importations and for the purpose of detecting and excluding prohibited importations, including those of plant and meat products subject to the jurisdiction of the Department of Agriculture. This type of examination frequently required from 4 to 5 hours or even longer for large passenger vessels and delayed the release of many passengers for extensive periods of time. Also about this time we were advised that we could anticipate a sharp rise in the number of passengers, particularly on aircraft, that would have to be processed. This increase has occurred.

In order to reduce these delays and also in order to permit the customs service to function effectively within the limited funds available, a much more limited inspection, generally of not more than one piece of baggage for each passenger, was instituted. In

1949 the personal exemption from duty for persons returning from abroad was increased from \$200 per person to \$500 per person. Now, only approximately 3 percent of all baggage declarations are found to be dutiable. The Commissioner of Customs and the Secretary of the Treasury were and are satisfied that the requirements of customs laws and regulations are being adequately enforced by this limited inspection program.

Mr. President, I hope those responsible for our customs service will not be more interested in their contribution to a balanced budget than in their contribution to the welfare of the Nation. I hope they will quickly abandon thought of further curtailments such as is proposed in the plan to operate under a system of oral declaration upon entry.

I suggest that if their present course is followed they will find themselves in the position of the homeowner who went broke buying fuel oil in a vain attempt to keep his family warm because he felt he could not afford to spend the money necessary to replace a couple of broken windowpanes.

Mr. President, I ask unanimous consent to have printed at this point in my remarks an article which appeared in the Tampa Tribune of May 20, 1956.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOVERNMENT EASES ENTRY REQUIREMENTS FOR YACHTS

The United States Government has made it easier for American pleasure yachtsmen going to and coming from foreign countries these days.

Merrill D. White, collector of customs for Florida, has announced that yachts of United States registry are now exempt from clearing for a foreign port and making formal entrance at the customhouse.

However, White stressed, the master of each vessel arriving from a foreign port must report his arrival within 24 hours. He may do this by simply making a telephone call if he can't make it to the customhouse.

The new regulation also makes it possible for either a custom officer or an immigration officer to examine the vessels, not both as in the past.

There is an exception, however, if both dutiable articles and aliens are aboard.

FEDERAL-AID HIGHWAY ACT OF 1956

The Senate resumed the consideration of the bill (H. R. 10660) to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes.

Mr. CAPEHART. Mr. President, on behalf of my colleague [Mr. JENNER] and myself I offer the amendments to the committee amendment which I send to the desk. I do not ask that they be read.

The PRESIDENT pro tempore. Without objection, the amendments will be printed in the RECORD at this point; and, without objection the amendments will be considered en bloc.

The amendments proposed by Mr. CAPEHART, for himself and Mr. JENNER,

to the committee amendment are as follows:

On page 35, beginning with line 1, strike out all through line 20 on page 36, and insert in lieu thereof the following:

"(b) The additional sum herein authorized for the fiscal year ending June 30, 1957, and the sum authorized for the fiscal year ending June 30, 1958, shall be apportioned immediately upon enactment of this act. The sums herein authorized for the fiscal years 1957 and 1958 shall be apportioned in the ratio which the estimated cost of completing the National System of Interstate Highways in each State bears to the estimated total cost of completing the National System of Interstate Highways in all of the States as set forth in the computations compiled by the Bureau of Public Roads on pages 6 and 7 of House Document No. 120, 84th Congress.

"(c) All sums authorized by this section to be appropriated for the fiscal years 1959 through 1969, inclusive, shall be apportioned among the several States in the ratio which the estimated cost of completing the National System of Interstate Highways in each State bears to the estimated total cost of completing the National System of Interstate Highways in all of the States. The estimated costs shall be those set forth in the reports required to be filed by subsection (e) of this section and shall be those contained in the latest report so filed. Each apportionment herein authorized for the fiscal years 1959 through 1969, inclusive, shall be made on a date as far in advance of the beginning of the fiscal year for which authorized, as practicable, but in no case more than 18 months prior to the fiscal year for which authorized.

"(d) The geometric standards to be adopted for the National System of Interstate Highways shall be those approved by the Secretary of Commerce in cooperation with the State highway departments. Such standards shall be adequate to accommodate the types and volumes of traffic forecast for the year 1975. The right-of-way width of the National System of Interstate Highways shall be adequate to permit construction of projects on the National System of Interstate Highways up to such standards. The Secretary of Commerce shall apply such standards uniformly throughout the States. Such standards shall be adopted by the Secretary of Commerce in cooperation with the State highway departments as soon as practicable after the enactment of this act.

"(e) As soon as the standards provided for in subsection (d) have been adopted, the Secretary of Commerce shall request each State highway department to make and furnish to him before July 1, 1957, a further study of the National System of Interstate Highways within its boundaries and a detailed estimate of the cost of completing the same based upon such standards. Such study and estimate shall be made in accordance with such rules and regulations as may be adopted by the Secretary of Commerce and applied by him uniformly to all of the States. Upon approval of such estimate by the Secretary of Commerce, he shall, within 10 days subsequent to January 2, 1958, transmit to the Senate and the House of Representatives a report of such study and estimate. Upon approval by affirmative resolution of the committees of the Senate and the House of Representatives to which referred, the Secretary of Commerce shall use such estimate in making apportionments for the fiscal years ending June 30, 1959, June 30, 1960, June 30, 1961, and June 30, 1962. The Secretary of Commerce shall cause a revised estimate to be made in the same manner as stated above and shall transmit the same to the Senate and the House of Representatives within 10 days subsequent to January 2, 1962, and upon approval by affirmative resolution of the committees of the Senate and the House of Representatives to

which referred, the Secretary of Commerce shall use such revised estimate in making apportionments for the fiscal years ending June 30, 1963, June 30, 1964, June 30, 1965, and June 30, 1966. The Secretary of Commerce shall cause a revised estimate to be made in the same manner as stated above and shall transmit the same to the Senate and the House of Representatives within 10 days subsequent to January 2, 1966, and annually thereafter through and including January 2, 1968, and upon approval by affirmative resolution of the committees of the Senate and the House of Representatives to which referred, the Secretary of Commerce shall use such revised estimate in making apportionments for the fiscal year which begins next following the fiscal year in which such report is filed. Whenever the Secretary of Commerce, pursuant to this subsection, requests the State highway departments to furnish studies and estimates to him, such highway departments shall furnish copies of such studies and estimates at the same time to the Senate and the House of Representatives.

"(f) The Federal share payable on account of any project on the National System of Interstate Highways provided for by funds made available under the provisions of this section shall be increased by 90 percent of the total cost thereof, plus a percentage of the remaining 10 percent of such cost in any State containing unappropriated and unreserved public lands and nontaxable Indian lands, individual and tribal, exceeding 5 percent of the total area of all lands therein, equal to the percentage that the area of such lands in such State is of its total area: *Provided*, That such Federal share payable on any project in any State shall not exceed 95 percent of the total cost of such project.

"(g) Any sums apportioned to any State under the provisions of this section shall be available for expenditure in that State for 2 years after the close of the fiscal year for which such sums are authorized: *Provided*, That such funds for any fiscal year shall be deemed to be expended if a sum equal to the total of the sums apportioned to the State specifically for the National System of Interstate Highways for such fiscal year and previous fiscal years is covered by formal agreements with the Secretary of Commerce for the construction, reconstruction, or improvement of specific projects under this section.

"(h) Any amount apportioned to the States under the provisions of this section unexpended at the end of the period during which it is available for expenditure under the terms of subsection (g) of this section shall lapse: *Provided*, That any National System of Interstate Highways funds released by the payment of the final voucher or by the modification of the formal project agreement shall be credited to the National System of Interstate Highways funds previously apportioned to the State and be immediately available for expenditure."

On page 36, line 21, strike out "(d)" and insert in lieu thereof "(i)".

On page 37, line 22, strike out "(e)" and insert in lieu thereof "(j)".

The PRESIDENT pro tempore. The question is on agreeing to the amendments offered by the Senator from Indiana [Mr. CAPEHART] for himself and his colleague [Mr. JENNER] to the Public Works Committee amendment. Without objection, the amendments will be considered en bloc.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. GORE. I ask unanimous consent that I may suggest the absence of a

quorum without the time being charged to either side.

Mr. CAPEHART. I yield for that purpose provided I do not lose the floor.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CAPEHART. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CAPEHART. I ask unanimous consent that the yeas and nays be ordered on my amendment.

Mr. KERR. Mr. President, reserving the right to object—and I shall not object—I request the distinguished Senator to refrain from submitting a unanimous-consent request. If he will wait a little while, we shall all try to have the yeas and nays ordered.

Mr. CAPEHART. I withdraw the request.

The PRESIDENT pro tempore. How much time does the Senator from Indiana yield to himself?

Mr. CAPEHART. I yield myself 5 minutes.

Mr. President, the purpose of this amendment is to substitute for the Senate committee version the House of Representatives language with respect to apportionment of the funds to the 48 States.

The House version carries one specific formula, and the Senate committee bill carries another formula.

The purpose of the proposed legislation is to construct approximately 40,000 miles of interstate highways as shown by the red lines on the map in the rear of the Chamber.

The Senate committee bill apportions or allocates funds to the respective States on the basis of a formula which is calculated on a population basis, an area basis, and a mileage basis.

The way the matter ought to be handled is in a very simple way. It ought to be handled on the basis of whatever the cost to the respective State is; no more and no less. In other words, if it costs the State of Florida \$100 million, the Federal Government ought to pay \$90 million to the State, and the State ought to pay \$10 million. The State of Florida ought not to pay any more than 10 percent, and the Federal Government more than 90 percent.

However, with the Senate version of the bill based on population, number of miles, and area, there will be allocated to a number of States more money than they can possibly spend. The committee evidently intended it that way, because the committee has written into the bill a provision that any money beyond that necessary to construct the given miles in a specific State shall be allocated on the basis of 20 percent of the total to secondary and primary roads.

I was amazed when I discovered that the bill would do anything other than simply to allocate whatever funds were necessary for the Federal Government to pay 90 percent of the cost. I was utterly amazed to find that such a formula was not provided in the bill, because that is

the simple way to do it, that is the honorable way to do it, and that is the fair way to do it; indeed, I may say it is the only way to do it.

We are not concerned with population, because we are not building roads on the basis of population. We are building X number of miles of roads. Some of the roads will be 2 lanes wide and some 4 lanes wide and some 6 lanes wide and some 8 lanes wide. Some roads will go through mountains, some will go over the top of mountains, some will be built on flat surfaces, and some will be constructed through swamps.

Every mile of the 40,000 miles of road will cost a different amount. No 2 miles will cost exactly the same amount of money.

To try to make the allocations on any basis other than that the Federal Government shall pay 90 percent of whatever the cost is and the States shall pay 10 percent of whatever the cost is, is something I do not quite understand. As a result of the Senate committee's formula, 19 States will get a reduced amount of money apportioned to them, whereas 29 States will get an increased amount.

Why do they want an increase? All we in Indiana want to do is to build approximately 1,100 miles. We want to build 2-lane, 4-lane, 6-lane, or 8-lane highways, or whatever is necessary to carry the traffic. We want the Federal Government to pay 90 percent of the cost, and we want the State of Indiana to pay 10 percent of the cost. We do not want 1 cent more than 90 percent or 1 cent less than 90 percent.

Why is that not what every State should want? Why do some States want more? What is so hard about working out a plan whereby the Federal Government will approve in advance the amount needed and then, when the project or the road has been completed, and the books have been audited, the Federal Government will pay 90 percent? Is that too simple for us in the United States Senate to do?

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. CARLSON. I wonder whether the Senator from Indiana would help me with a problem I have. As I read the Senator's amendment, it provides:

The additional sum herein authorized for the fiscal year ending June 30, 1957, and the sum authorized for the fiscal year ending June 30, 1958, shall be apportioned immediately upon enactment of this act. The sums herein authorized for the fiscal years 1957 and 1958 shall be apportioned in the ratio which the estimated cost of completing the National System of Interstate Highways in each State bears to the estimated total cost of completing the National System of Interstate Highways in all of the States as set forth in the computations compiled by the Bureau of Public Roads.

I call particular attention to the word "completing."

I should like to ask the Senator from Indiana this question. Let us take, for example, the State of Kansas, which has already completed, by means of a toll road, one-half of the Interstate System. Am I to understand the Senator from Indiana to state that the State of Kan-

sas is to get one-half of the money required to complete the rest of the system in Kansas?

Mr. CAPEHART. I want the State of Kansas to get exactly 90 percent of what it costs the State to complete the interstate highways the construction of which the system calls for in the State of Kansas; no more and no less.

Mr. CARLSON. In other words, half of our State highway system in the Interstate System will be paid for, and the rest of it will be a toll system. Travelers will not only pay for the toll road which is already constructed, but will be paying for roads all over the Nation.

Mr. CAPEHART. There is nothing in the House bill or the Senate bill that covers the point the Senator is making. The language of the amendment is the exact language contained in the House bill.

Mr. CARLSON. Of course, I have not yet said that I approve of it.

Mr. CAPEHART. I did not say the Senator had said he approved of it; but all we are doing is taking the exact language of the House bill. We have not added anything and have not taken anything away from it. We have the same situation in Indiana. We shall have, when it is completed, a 131-mile toll road. I do not know what is going to happen to all the toll roads in the future.

Mr. CARLSON. Half of the particular road to which I have referred is in the Interstate System. I think we are entitled to have some consideration on that account.

Mr. CAPEHART. Is not that an entirely different problem?

Mr. CARLSON. I do not think so, because the allocation of funds will be based on the ratio of the amount of money that is needed to complete the Interstate System.

Mr. KUCHEL. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. Mr. President, I yield myself another 5 minutes.

Mr. KUCHEL. I appreciate the opportunity the Senator from Indiana gives me to make a comment to the Senator from Kansas.

The amendment he offers deals solely and exclusively with what formula the Senate wishes to use to apportion money. The Senator from Kansas asked what the situation would be with respect to a State which previously had on its own responsibility created an expressway or a superhighway, toll road or not. I wish to call the Senator's attention to the language of the House bill on page 19, section 109, entitled "Declaration of Policy with Respect to Reimbursement for Certain Highways," which indicates the manner in which the House would attempt equitably to make reimbursement for the section of a State-constructed freeway which might subsequently become a part of the system.

But the Senator from Indiana was completely accurate in his answer to the Senator from Kansas. The Senator from Indiana has one single amendment to present. The question is, Do we want the historic apportionment formula to be used in the Interstate System to be constructed in 13 years, or do we want to make it on the basis of need?

The PRESIDING OFFICER (Mr. MORSE in the chair). The time of the Senator from Indiana has expired.

Mr. CAPEHART. Mr. President, I yield myself 1 more minute.

Mr. MALONE. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield 2 minutes to the Senator from Nevada.

FEDERAL AID FOR PUBLIC-LAND STATES

Mr. MALONE. I would suggest to the distinguished Senator from Indiana that his amendment, whether it is on a basis of straight 10 percent or on the formula basis, will not amount to very much money; but whatever the Senate and the House, in their wisdom, decide shall be the proportion of Federal money in the thickly populated States where there are no government lands, should apply on the same established basis, on the public lands, so that the Government pays for roads in proportion to the lands, it owns.

Such roads increase the value of the public lands.

In Nevada we still have 87½ percent public lands. We still have a very small population, though Nevada is a much larger State than Indiana.

We think we have a population of about 300,000; however that does not compare with the population of Indiana.

The people of my State own only about 13 percent of the land.

Mr. CAPEHART. I want Nevada to be paid 90 percent by the Federal Government for every mile of Interstate Highway constructed within the State.

Mr. MALONE. I understand that, but I also understand that there are only 300,000 to 350,000 people in Nevada, and they would have to put up a much greater percentage of the 10 percent than the people of the more heavily populated States.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a table entitled "Federal Aid Formula."

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FEDERAL-AID FORMULA

Primary: One-third area, one-third population, one-third miles of rural post roads.

Secondary: One-third area, one-third rural population, one-third miles of rural post roads.

Urban: Percentage of population in cities over 5,000.

Above funds matched 50-50, except public land States are allowed credit for one-half of public lands.

Thus, in Nevada, we get 50 percent plus one-half of 68 percent, or 84 percent Federal and 16 percent State.

Interstate: Two-thirds population, one-sixth area, one-sixth miles of rural post roads, matched on 60-40 basis with same allowance for public lands.

Mr. CAPEHART. Mr. President, I yield the floor.

Mr. GORE. Mr. President, I yield 5 minutes to the junior Senator from New Hampshire [Mr. COTTON].

Mr. COTTON. Mr. President, the controversy as to whether the formula contained in the Senate bill, otherwise known as the Gore bill, or the formula contained in the House bill, otherwise

known as the Fallon bill, shall be made the basis of allocation and apportionment of funds during at least the first 2 years of the proposed program has been fought out in committees, and was discussed in the general debate yesterday. The factors and elements are well known, and I have no desire to delay the deliberations of the Senate. But because of the solemn and serious obligation and responsibility which a Member of this body, particularly a member of the Public Works Committee, owes to his own State, and to all the States, in trying to secure a fair and just method of apportionment, I wish to bring out certain facts on this vital question which is fully as important as is any other question incident to this bill.

The House bill, which is the version the distinguished Senator from Indiana is asking the Senate to substitute for the Senate formula, bases the allocations on estimates made by the States. After passage of the 1954 highway Act, the Bureau of Public Roads requested the States to submit estimates of their needs.

We should not be in any way deluded by this so-called need formula or by the use of the word "needs," which has been used again and again in connection with the House bill. No word was ever more distorted. It does not represent in anyway, shape, or manner the actual needs, the boiled-down and considered needs of the States. The "needs" estimates were developed by the States without any knowledge of how they would be used. My statement is borne out by the Bureau of Public Roads which states that most of the State highway departments were not even told and did not understand why they were making the estimates or how they would be used.

Mr. CAPEHART. Mr. President, will the Senator from New Hampshire yield?

Mr. COTTON. I yield.

Mr. CAPEHART. Let us consider the Senator's own State. Under the House bill it would receive \$72 million. Under the Senate version it would receive \$154 million. Which one is the more realistic?

Mr. COTTON. I shall meet that question fully and fairly.

Mr. CAPEHART. All I am trying to do is to make certain that New Hampshire gets 90 percent of whatever the roads cost, whether it be \$72 million or \$154 million.

Mr. COTTON. Let me say in reply to the Senator from Indiana that if his heart is bleeding for my State of New Hampshire, I should like to tell him that under the apportionment in the House bill New Hampshire will suffer more than will any other State of the 48 States and the District of Columbia. I shall indicate to the Senator in a moment how, if this is taken as the basis, New Hampshire and certain other States may never receive fair treatment.

Mr. CAPEHART. The \$72 million was estimated by the New Hampshire highway department.

Mr. COTTON. That is correct. They made an estimate—and I will come to that in a moment—and they made it as

frugally as possible and as economically as possible on the basis of bare minimum requirements.

They had no way of knowing what part the Federal Government would pay, and they estimated about \$300,000 a mile. On the other hand, California, for instance, estimated more than \$1 million a mile, and New Jersey estimated more than \$4 million a mile.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. COTTON. I cannot yield any further. I have only 5 minutes.

Mr. CAPEHART. I will yield the Senator a minute.

Mr. GORE. Mr. President, I yield 5 additional minutes to the Senator from New Hampshire.

Mr. CAPEHART. What we are trying to do is to establish a formula whereby New Hampshire and the other 47 States will get 90 percent of whatever the cost will be. How can any Senator be opposed to that? Is it because he thinks his State will get something beyond that amount?

Mr. COTTON. If the Senator will let me proceed for 5 minutes, I will tell him what I think of his method of obtaining a fair apportionment and why I object to it.

In the first place, the estimates were made without any knowledge of what the purpose was. Some States assumed that when they made estimates, they were on a 50-50 matching basis. Some States tried to project themselves into the future on the basis that the ratio would be 60-40. Some thought it would be on the basis of 90-10. Some thought it would be on the basis of a 100 percent Federal contribution. In other words, various motives animated the State highway departments to make their estimates.

In the second place—this point is important and I have not seen it brought out in the debate yet—the estimates were developed on an entirely hypothetical mileage. The last 2,300 miles of the Interstate System were not designated until after the needs estimates were compiled and completed. Some States estimated their needs on their actual mileage at the time. I am referring, of course, to the interstate system.

Some States estimated their needs on the basis of their actual miles plus the additional mileage they had requested.

None of the States could estimate their needs on the basis of actual total miles, because at that time they did not know what their actual mileage would be when the entire 40,000 miles were designated and assigned.

In the third place, the estimates represented the first time in history that an effort was even made to estimate the total highway needs of the Nation.

Mr. KUCHEL. Mr. President, will the Senator yield briefly for a question?

Mr. COTTON. I yield.

Mr. KUCHEL. If the Senator will permit me to do so, I shall read from page 5 one paragraph from the letter of the Secretary of Commerce transmitting the report. It bears directly on the

Senator's comment. The statement relates directly to the subject of preparing estimates:

In preparing the cost estimates of needs improvements for this study the highest design standards were, of course, used for the Interstate System. Progressively lower standards were used for each road system of lesser importance. In general, the design standards used in making the cost estimates are in accord with those adopted by the States.

I thought that statement should be a part of the Record. I do not quarrel with the Senator's right to interpret the estimates in any fashion he wishes, but I think the responsible authority who accumulated the estimates, after he was required to do so by act of Congress, should have his opinion in the Record, too.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. CASE of South Dakota. The origin of the estimates was section 13 of the Highway Act of 1954. The origin of that section was a joint resolution which I introduced, proposing a study to determine the cost of building the several road systems of the country. I think the Senate passed the resolution, but the House committee did not want to join in the study. So later I submitted a separate resolution to provide for a study by the Senate committee. That study became the basis of section 13 of the Highway Act of 1954.

To carry out the purpose of that section, the Bureau of Public Roads was directed to cooperate with the State highway departments. I have here a statement by Mr. George T. McCoy, president of the American Association of State Highway Officials, before a subcommittee of the Senate Committee on Public Works, on February 21, 1955. Mr. McCoy said:

Section 13 of the Federal-Aid Highway Act of 1954 requested the Secretary of Commerce to prepare an estimate of need for the Nation's 3,350,000 miles of roads, streets, and highways. The State highway departments cooperated with the Bureau of Public Roads in this undertaking.

The next sentence is the one to which I invite particular attention:

Please bear in mind that this is an estimate and not a proposed program, and it is the first time that an attempt has been made to place a dollar value upon the total highway needs of the Nation.

I have been told that 1 State, in 3 days, compiled figures for an estimate of the cost of completing its secondary, urban, and primary roads on the Interstate System.

The other day on the floor of the Senate I said that Maine had used \$1 million a mile as the basis for determining the right-of-way cost of the roads. I took that figure from a table prepared by the Bureau of Public Roads in response to the study requirement in the Highway Act of 1954. The Senator from Maine [Mr. PAYNE] came to my desk and told me he questioned the figure. He wanted to know my authority for it, because I had contrasted \$1 million a mile for rights-of-way in Maine with \$195,000 a

mile for rights-of-way as proposed by Maryland.

The Senator from Maine later told me that he went to the telephone, called the State highway engineer in Maine, whom he knew personally, and asked him if the figure was correct. He said the engineer replied that they had to use some figure; that he did not know what the rights-of-way would cost; so he used \$1 million as the figure.

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired.

Mr. GORE. Mr. President, I yield an additional 5 minutes to the Senator from New Hampshire.

Mr. CASE of South Dakota. That is how the estimates were prepared. Round figures were used. To call them a sound basis for determining the actual needs certainly is improper.

Mr. KUCHEL. Mr. President, will the Senator yield briefly for a question?

Mr. COTTON. The question must be brief. I do not want to delay the Senate; but I desire to complete my statement.

Mr. KUCHEL. I thank the Senator for yielding. I again refer to the letter of the Secretary of Commerce with reference to section 13. He said, on page 3—and I want the Record to show it—

Mr. COTTON. If the Senator wants the Record to show it, he should use his own time. I yielded for a question.

Mr. KUCHEL. I shall read only four lines.

Mr. COTTON. I yield for that purpose.

Mr. KUCHEL. The paragraph reads:

Relatively minor differences occurred among the States in the interpretation of and adherence to the concepts and guides established for this study. These account for a certain lack of uniformity in the reported information. Nevertheless, the totals are deemed wholly adequate as a representation of nationwide needs, forming a basis for setting the initial course of remedial action.

Mr. COTTON. I call the attention of the Senator from California to page 1 of the document from which he has been reading, under the heading "Basis of Needs." This is the statement made by the Secretary of Commerce and the Bureau of Public Roads:

The term "needs" likewise requires explanation. It is a word widely used in recent years to denote construction backlog. Amounts cited as "needs" sometimes refer to the cost of complete modernization as of a given moment; sometimes they cover a construction program stretching over a period of years.

Some estimates are based on the needs of current traffic; others take future traffic fully into account.

There are variations, too, in the specifications of design standards, and there are differences in their application—one study may permit no deviations, while another will accept large deviations or tolerances.

I do not wish to linger on this point. Anyone who simply takes that tables and sees the variations among the estimates of the proposed costs of the interstate highways in the different States need not read any reports, and he certainly need not pay any heed to anything said by any Senator or anyone else. If he will simply look at the figures, he will know instantly that they have no uni-

formity. They are simply a collection of haphazard estimates. Some States make them lavishly; some States make them frugally and conservatively. If these estimates are made a basis for any kind of future allocation, whether the program lasts 2 years, 4 years, 10 years, or 13 years, we shall be building on sand, and shall be inflicting an unfair system on the States of the Union.

The PRESIDING OFFICER (Mr. MORSE in the chair). The time of the Senator from New Hampshire has expired.

Mr. COTTON. May I have 3 additional minutes?

Mr. GORE. I yield 3 additional minutes to the Senator from New Hampshire.

Mr. COTTON. The answer which has been given to our committee is that these figures do not mean anything; that, after all, they will be used only for the first 2 years, and then everything will be made right and lovely, and every State ultimately will get its proper mileage, and the roads will be standardized and will be built to specifications. So, it is said, even though a particular State may suffer greatly because of the preliminary figures which have been submitted, the differences will be adjusted.

In the first place, Mr. President, remember that the standards prescribed for the highways are minimum standards, and if one State chooses to build, in the beginning, on a lavish basis, and builds a lush highway, then that State will receive more than its just share, because another State will be building on a frugal basis.

In the second place, after 2 years' use of this admittedly—I stress the word "admittedly"—unfair and unbalanced aggregation of figures and estimates, the approval of the Public Works Committees of the House and the Senate must be received.

As a matter of fact, if an examination of the roster of the members of the House Public Works Committee—I do not think I am violating any rule against criticizing the other body—will disclose that several States have two members each, and that many States have no members at all, on that committee. If any Senators think those States are going to give up their frosting voluntarily, I am sure such Senators are mistaken, because the result will be a compromise, as is always the result in the legislative process. Somewhere along the line some part of this inequality will be frozen into the allocation of funds, if we start with these unfair allocations.

The Senate bill is far from perfect, but it does contain a formula based on population, based on roads to be built, and it is a formula, a yardstick, which will be applied the same way to every State. If it is used for 2 years or 5 years, we can still have a second look. By adopting it, we shall not be starting out, on the most expensive program for highways or any other needs ever conducted in this country, by authorizing the use of a series of estimates made up of a collection of haphazard figures which are entirely unfair to many States.

Mr. President, I am perfectly frank in saying that I am not undertaking to

represent any other State than my own. I assume the Senator from Indiana is looking after his own State, but perhaps my State is the worst sufferer of all the States under the proposal, chiefly because my own State made a frugal and conservative estimate. I shall do everything in my power to prevent the House proposal from being accepted.

The PRESIDING OFFICER. The time of the Senator from New Hampshire has expired.

Mr. CAPEHART. Mr. President, I yield myself 1 minute.

I thought I had made myself perfectly clear, and had stated that what we are trying to do is to establish a system whereby the State of the Senator from New Hampshire will get 90 percent of exactly what it will cost to build the interstate highway, whether the cost be \$75 million or \$100 million. I do not understand the argument at all. The figures will be the basis on which the start will be made, but the Government will pay 90 percent of what the roads will cost.

Mr. GORE. If the Senator will yield, I point out that the amendment the Senator has offered does not do what he has said.

Mr. CAPEHART. It will do that, after 2 years, just as the amendment of the Senator from Tennessee will do. That is what I am trying to argue for. That is why I think the bill ought to be recommended. I cannot imagine that the President of the United States will sign a bill of this kind. He may well do it. I cannot speak for the President. I am only pleading that the Federal Government pay 90 percent for whatever it will cost to construct the roads in the State of New Hampshire.

Mr. President, I now yield 3 minutes to the junior Senator from New Jersey.

Mr. CASE of New Jersey. Mr. President, I think it is perhaps appropriate for me to make a few comments so shortly after the statement of the Senator from New Hampshire [Mr. CORNWELL], because if his State fares the worst under the House bill, certainly the State of New Jersey is the greatest sufferer under the Senate committee bill.

It should not be, as the Senator from Indiana has said, a very difficult problem for us to provide for the building of an Interstate System of highways on a sensible basis, whereby actual needs are determined, actual costs are fixed, roads are built, and the Federal Government pays 90 percent of the actual cost of the Interstate Highway System. It should not be too difficult, if we have the will to do it. I do not suggest any individual chicanery, but it seems to me the difficulty we have been having in trying to arrive at a sensible method of the application of the program indicates that there is something more than a simple effort to arrive at that result, because, certainly, reasonable men of good will ought to be able to agree on the need for the system.

The PRESIDING OFFICER. The time of the Senator from New Jersey has expired.

Mr. CASE of New Jersey. May I have 3 additional minutes?

Mr. CAPEHART. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Indiana has 13 minutes remaining to him.

Mr. CAPEHART. I wanted to yield 4 minutes to the able Senator from California. I yield 2 additional minutes to the Senator from New Jersey.

Mr. BUSH. The Senator from Indiana promised to yield me some time.

Mr. CAPEHART. I shall do so.

Mr. CASE of New Jersey. Mr. President, although I am not a member of the Senate Committee on Public Works, it is quite apparent from a reading of the CONGRESSIONAL RECORD and the report of the committee that New Jersey has become a whipping boy in one of the most important issues involved in the highway bill now before us. The record, in my judgment, should not go unchallenged.

The issue into which our State has been projected is, as I said, basic to our efforts to build an Interstate System. After all, why are we here today? Had it not been for the leadership of President Eisenhower and the Clay committee, we would likely be considering how best to extend the traditional, 2-year authorization for Federal-aid highways—that is, the normal development of our primary, secondary, urban, and Interstate Systems.

Instead, because of this leadership and the enlightened action taken by the House, we have a rich opportunity to concentrate on our greatest unfulfilled highway need, an adequate interstate network of roads. This challenge has been answered in the House bill. Because of the stoginess of the traditional system of apportionment of Federal funds which lies at the heart of the Senate amendment, we shall not be able to fulfill our goal for a completed Interstate System. Certainly, we shall not be able to do the job in New Jersey, under the Senate formula.

Now, proponents of the Senate amendment have pointed at New Jersey's estimated needs—which would be met under the House version—with a great deal of scorn. The needs, in the view of these opponents, are inflated. So, it is implied, are the costs of road construction in New Jersey. Then these opponents point to the Commonwealth of Pennsylvania. Here, the estimated needs are considerably lower.

Thus, it is stated, let us throw out the whole program under the House bill. Our opponents say let us turn instead to the good old method of allocating Federal funds—a method which is old, all right, but is particularly good only for Arkansas, Kansas, Nevada, and other States without the problems of population, traffic density, and other complex factors which make us in New Jersey victims of rank discrimination under the Senate version of this proposed legislation.

Now, Mr. President, because I had my doubts about these alleged errors in the statement of costs and needs in New Jersey, I decided to take up the matter with our State highway commissioner, Mr. Dwight Palmer. After all, his de-

partment prepared the figures. I should add that Mr. Palmer is of the opposite political faith from me, to say nothing of his chief executive, Governor Meyner.

What I am about to relate is Mr. Palmer's explanation of why New Jersey figured as it figured; why the statistics supplied are accurate, in his estimation; and why the Senate apportionment formula would doom our State's efforts to build an effective Interstate System right from the start.

Here are the facts, according to Mr. Palmer. New Jersey's traffic is 7 times the national average. It is $5\frac{1}{2}$ times that of Pennsylvania, for example. It is $2\frac{1}{2}$ times the traffic density of New York. The density of traffic on the New Jersey State highway system is 11,000 cars per average day per mile of State highway.

New Jersey averages 1,000 registrations per mile of State highways. Two hundred million vehicles cross New Jersey's borders in 1 year.

By comparison, we must remember that New Jersey is 2d in population density, 6th in industry, 8th in population, 8th in motor-vehicle registration, and, significantly, 45th in size.

Route U. S. 1 carries upward of 90,000 vehicles per day through Newark. Routes 4 and 46 through Bergen County carry 46,000 vehicles a day, with peak volumes of 75,000 vehicles in a 24-hour period. In the Camden area, the Admiral Wilson Boulevard carries some 75,000 vehicles daily, while the Crescent Boulevard daily carries some 50,000 cars.

Our friends in the West cannot visualize the transportation problem of New Jersey because they are simply not in the same position trafficwise. We are a corridor State. Through us, traffic to and from New England must pass. We are between the two cities of New York and Philadelphia. Our transportation problems are perhaps unsurpassed in the Nation for their magnitude.

Mr. Palmer tells me that when the United States Bureau of Public Roads requested the States to prepare an estimate of their individual needs, New Jersey set about the task with the idea that accuracy was necessary. Mr. Palmer frankly questions the estimates of the responsible officials in Pennsylvania. Does this mean that New Jersey's figures are any less accurate?

New Jersey, with 60 percent of its roads being urban in character, compared, for example, with Pennsylvania's 15 percent, is faced with high costs of construction. There is one stretch from the George Washington Bridge to Wayne Township, $17\frac{1}{2}$ miles in length, which will cost more than \$120 million. In Essex County, one $\frac{1}{2}$ -mile stretch will cost \$70 million.

In New Jersey's most rural areas, Mr. Palmer reports, a 4-lane divided highway costs \$1 million per mile. So that we recognize that when Pennsylvania presents an average cost per mile of \$557,000, either proper consideration was not given to the needs of the State or the anticipated design of their highways failed to recognize the growth of traffic and provide necessary capacity for that traffic.

The average cost per mile of New Jersey's Interstate System was \$6,652,000 in 1954, according to statistics placed in the RECORD. This figure has been used to twist the significance of New Jersey's basic needs. From the foregoing, it is apparent it costs New Jersey a lot of money to plow a road through our tremendously built-up urban areas. Actually, the figure itself is a distortion. It is expensive for us to build roads, but not that expensive.

The Bureau of Public Roads advises me the average cost per mile figure for New Jersey was obtained by dividing 204 extant miles on the Interstate System in 1954 into the total cost of \$1,357,000,000. Included in that total cost, however, were some \$425 million, submitted in good faith as part of the Interstate System, which came from the building of a second deck of the George Washington Bridge, and similar expenses. Can that tremendous expense be compared with the normal cost of road building, even in New Jersey? The actual average cost per mile, therefore, is really in the neighborhood of \$4,440,000. Thus, the statistics have been distorted, even though the error may have been honest.

In New Jersey, we do not believe we can improve our Interstate System by constructing any two-lane highways. Pennsylvania estimates that 292 miles of two-lane highways would be adequate. On the other hand, New Jersey needs 200 miles of 6-lane roads or wider to bring the Interstate System up to par. Pennsylvania says it needs only 21 miles at that width. Yet, 6-lane highways cost \$2,600,000 for each mile in New Jersey.

Is it not obvious, Mr. President, why our costs are higher; why we have to build more roads? And, I emphasize again, the State highway department stands by its figures.

I hope that this discussion will help demolish the ridiculous arguments that high estimates from one State are false, per se, and that because another State has different problems, or pays less attention to its survey, it must be right.

I believe that the needs estimates of the States are accurate, on the whole. Besides, if we adopt the spirit of the House bill, there is ample protection against misstatement or error. Anything short of this principle will fail to build an interstate network.

Mr. CAPEHART. Mr. President, I yield 3 minutes to the senior Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, I wish to commend my able colleague for his fine presentation of some of the facts concerning the much maligned estimates submitted by my State of New Jersey. But beyond the question of whether the estimates are accurate or inaccurate, lies the fundamental question of whether the interstate highway system shall be built and whether the funds shall be apportioned to the States upon the basis of their costs of construction or some approximate fixed formula. That is what is troubling those of us who reside in New Jersey, as we consider the matter on the basis of the committee report.

As my colleague, the junior Senator from New Jersey [Mr. CASE], has pointed out, no State can be hurt through the adoption of the House method of apportionment of the funds. If, as seems probable, Pennsylvania erred through underestimating its needs for the construction of the interstate system in that State, then such errors will be readily apparent and can easily be rectified at the end of the first 2 years of the program when the Secretary of Commerce prepares his estimates for apportionment, based upon actual cost experience during the first 2 years of operation under the program. In the so-called Gore version of the highway bill, the same fixed formula will apply for the total life of the program. States which do not receive sufficient funds under the Senate committee or so-called Gore formula of apportionment will have no opportunity to have their shortages taken into account and alleviated. Instead, their allocations will be left as they are. Such States will have no means available to obtain sufficient funds to build their share of the interstate system. The converse is just as true; States which, under the Gore formula, receive more money than is necessary to build their share of the interstate highway system will have that money apportioned to their account in the Highway Trust Fund. They may transfer up to 20 percent, on a 50-50 matching basis, for their primary, secondary and urban roads; but such transfers by States with their share of the interstate highway system already built, will not in any way lead to the completion of the integrated Interstate Highway System. The States which will not receive sufficient funds to cover their costs of construction will have no subsequent revision of the apportionment upon which to rely for the allocation of the necessary funds.

I can not see any possible justification for the apportionment of the funds for this interstate highway system upon any basis other than one which will take into account the actual costs of construction undertaken by the various States, and which will provide for periodic revision of apportionment upon the accumulation of cost data from actual operations. That is the important point.

Therefore, Mr. President, I join with my junior colleague from New Jersey [Mr. CASE] in support of the amendment proposed by the able Senator from Indiana [Mr. CAPEHART], which would substitute the apportionment formula of the House version of the bill, with the provision for periodic revision based upon the actual construction costs of the various States, in place of the Senate committee or Gore provision.

Mr. President, for the benefit of my colleagues, let me add that in my State of New Jersey, in very large part our highways constitute channels for travel coming from other States. For instance, the travel from New England comes through New Jersey. Included in that travel is that coming from the State of New Hampshire. We are compelled to enlarge our highways from 2-lane to 4-lane to 6-lane and possibly to 8-lane

roads, in order to take care of the needs of the interstate highway system.

Mr. President, I believe the amendment of the Senator from Indiana should be adopted, in connection with the needs of the traffic situation.

Mr. CAPEHART. Mr. President, I yield 3 minutes to the Senator from Connecticut [Mr. BUSH].

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 3 minutes.

Mr. BUSH. Mr. President, I wish to support the amendment of the Senator from Indiana. As I pointed out yesterday, the trouble with the Gore formula is that it simply will not result in construction of the Interstate System of Highways. In fact, it will absolutely prevent completion of the construction of that system, which is the whole point of this entire bill. The apportionment is based on the same amount of money and the same calculations as those of the Fallon bill, namely, \$25 billion.

What will the Gore formula do with that money? It will over-allocate approximately \$4,800,000,000, and it will under-allocate \$4,800,000,000; and thus it will miss the mark by \$9,600,000,000, which is almost 40 percent of the \$25 billion.

I submit that we never can complete the construction of this system of interstate highways under that formula. I submit that the only way by means of which we shall ever complete construction of the Interstate System of highways will be to allocate the funds on the basis of need.

In the table appearing on page 9101 of yesterday's CONGRESSIONAL RECORD, we observe that a large number of the States would be allocated more than 200 percent of their estimated needs. In one case, as we observe by studying the table, one State would be allocated 202 percent of its estimated needs; another State would be allocated 220 percent; another State would be allocated 315 percent; another would be allocated 333 percent, another would be allocated 220 percent, another would be allocated 240 percent, and another would be allocated 241 percent of the estimated needs. Such an arrangement would not result in the construction of the needed roads, Mr. President, for the States would not receive that money. Instead, the money would go into the highway fund established under the bill, and would remain there, and such a procedure would simply defeat the entire purpose of the administration and the entire purpose of the mayors' conference and the Clay Commission and the Governors' conference, all of whom have said that this system of interstate highways is a national necessity.

So, Mr. President, I strongly support the Fallon bill, which is the only guarantee that we shall ever have a national system of highways.

The PRESIDING OFFICER. The time of the Senator from Connecticut has expired.

Mr. GORE. Mr. President—

Mr. CAPEHART. Mr. President, is the Senator from Tennessee ready to yield back the remainder of his time?

Mr. GORE. There is one more speaker on our side.

Mr. CAPEHART. How much time remains to the side of the Senator from Tennessee?

Mr. GORE. Five minutes.

Mr. CAPEHART. We have 4 minutes remaining, I believe.

Mr. President, I yield 3 minutes to the able junior Senator from California [Mr. KUCHEL].

The PRESIDING OFFICER. The Senator from California is recognized for 3 minutes.

Mr. KUCHEL. Mr. President, the Senate is perplexed and confused. Some of our colleagues are worried about what will happen to their States. I do not quarrel with that point of view. I am sure the present Presiding Officer does not, either. We also have the duty of worrying about the United States as a whole.

I suggest that the Senate committee version of the highway bill does a disservice to the whole Nation, as well as a disservice to many of the States.

Under the Senate committee formula, we would be adopting a 40-year-old allocation formula which is unrealistic. It would rivet into the law for 13 years a means of giving to some States more money and giving to other States less money than is necessary in order to build within that period of time an Interstate Highway System of 40,000 miles.

Representatives of the Federal Government, of the State governments, of the city governments, and of the county governments came before the Senate Committee on Public Works and the House Committee on Public Works; and all of them asked for the House formula—a formula on the basis of need to build a nationwide highway system within a specified period of time. No representative of any of those public agencies urged that the Senate committee's version be adopted.

The House version of the bill will provide—as the Senator from Indiana [Mr. CAPEHART] has suggested in his amendment—an apportionment on the basis of needs. Of course, there are estimates made and to be made; but they are only estimates, nothing more and nothing less. They merely serve as a general indication to the Bureau of Public Roads as to what the necessities in the case of each of the 48 States may be.

Under the House version of the bill, insofar as this item is concerned, and in this respect the House version is the same as the amendment of the Senator from Indiana—the Bureau of Public Roads will apportion only the amount of money necessary to give 90 percent of the cost of construction of the interstate highway in each State, to that State—no more and no less.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. GORE. Mr. President, I yield the remainder of my time on the amendment to the distinguished Senator from Oklahoma [Mr. KERR].

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. KERR. Mr. President, I think the Members of the Senate wish to have

clearly in mind the issue which is presented by the amendment of the Senator from Indiana. The distinguished Senator from Connecticut has referred to the provisions of the Senate committee's version of the bill as the Gore formula. Therein is the basic error of the proponents of the amendment. The Senate committee's version of the allocation now before us is not the Gore formula. The bill as reported by the Senate Committee on Public Works allocates this money on the basis of existing law, on the basis of the law governing the allocation of Federal funds which has been in effect for nearly 40 years, as amended by Congress in 1954, at which time the authorization for the Interstate System was raised from \$25 million a year to \$175 million a year. At that time Senators from the States with larger populations took the position that because so much of the Interstate Highway System designated would be serving their States, the allocation previously provided by the law was not entirely equitable, and that a greater amount of the funds should be allocated on the basis of population. Theretofore, funds had been allocated one-third on the basis of population, one-third on the basis of area, and one-third on rural mail route mileages. However, in 1954, following the efforts of Senators and Representatives from the States with greater populations, the formula was amended so that half of the interstate funds were allocated on the basis of population, and the other half on the basis of the traditional formula.

Thus we find that under the bill as reported by the Senate Public Works Committee—not with the Gore formula, but on the basis of existing law—two-thirds of the interstate money would be allocated to the States on the basis of their population, only one-sixth on the basis of area, and one-sixth on the basis of rural mail route mileage.

The discussion about the establishment of a basis for the new formula, as proposed by the House, is not realistic. When the Secretary of Commerce submitted to the Congress the so-called table of needs in House Document No. 120, he had this to say, as appears from page 1 of that document:

BASIS OF NEEDS

The term "needs" likewise requires explanation. It is a word widely used in recent years to denote construction backlog. Amounts cited as "needs" sometimes refer to the cost of complete modernization as of a given moment; sometimes they cover a construction program stretching over a period of years.

Some estimates are based on the needs of current traffic; others take future traffic fully into account.

There are variations, too, in the specifications of design standards, and there are differences in their application—one study may permit no deviations, while another will accept large deviations or tolerances.

Thus we see that there is a multiplicity of bases for the estimates of needs as provided by the States. The so-called allocation by the House is merely a compilation of such estimates. That is found in the testimony of Mr. McCoy, who is president of the Association of

State Highway Officials, in the hearings. I read from page 161 of the hearings:

Section 13 of the Federal-Aid Highway Act of 1954 requested the Secretary of Commerce to prepare an estimate of need for the Nation's 3,350,000 miles of roads, streets, and highways. The State highway departments cooperated with the Bureau of Public Roads in this undertaking. Please bear in mind that this is an estimate and not a proposed program.

Yet, Senators tell us that it should be the basis of a program, and that there should be a revolutionary change in the allocations now fixed by law.

The Director of the Bureau of Roads, Mr. Curtiss, had this to say, concerning the estimate, as appears from page 697 of the hearings:

We found—and by "we" I mean in the Bureau—when we analyzed the estimates submitted by the States, and I would like to make that clear that these estimates are not estimates of the Bureau of Public Roads.

Mr. President, this tabulation has neither pride of ancestry nor hope of posterity. It does not have the approval of the Bureau of Public Roads. It does not have the sanction of the Department of Commerce. It is printed as a compilation of estimates, many of which are on different bases. The compilation was made by the American Association of Highway Officials. In his testimony, Director Curtiss, of the Bureau of Public Roads, specifically denied any responsibility for it.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. CASE of South Dakota. I have before me a letter dated May 18, 1956, from Commissioner C. D. Curtiss, of the Bureau of Public Roads, in which he says very specifically:

You will see that there is considerable variation as would be expected due to differences in specifications used in different States, as well as differences in terrain, soil types, local materials, wage rates, traffic loads, and many other factors.

He continued:

As you know, the Bureau did not edit or otherwise alter the individual State estimates submitted.

Mr. KERR. The Senator is eminently correct. I have never seen a greater or more specific effort by a public bureau than that by the Bureau of Public Roads to disclaim any responsibility for a document, a formula, or a compilation. The Bureau denies that it is in any way a program or a recommended program.

Mr. GORE. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. GORE. Yet despite that fact, we are now asked to legislate on the basis of it.

Mr. KERR. The Senator is eminently correct.

The Senate version of the bill now before us is based upon existing law. The allocation is based on existing law, which has grown out of 40 years' experience. It was hammered out on the anvil of hearings, debates, and legislation.

There is no place in the record before either committee where the formula

proposed by the Senator from Indiana was substantiated on the basis of uniform needs, as a presentation of the needs for the Interstate System in the various States. We are asked to make a guess as a basis for a definite allocation.

No Senator could go home to his people and tell them with certainty what his State would receive out of this program on any basis now before us except the formula in the bill as reported by the Public Works Committee. Therefore, while we all realize that there may be changes in the allocation formula as the years go by, and while I am certain that experience will prove that some States are getting more than they can use, and others are getting less than they need, we shall have time, on the basis of experience, to change the formula. But certainly we should not do so on the basis of whim, caprice, or estimate, or without the basis of experience or established fact behind the traditional formula in our law, which has been there, with only legislative changes, for nearly 40 years.

I yield the floor.

Mr. CAPEHART. Mr. President, first, I think the able Senator from Oklahoma is mistaken about the formula in the Senate version being the same as the formula of the present law. The old formula was based one-third upon population, one-third upon area, and one-third upon post roads mileage. The new formula is based one-half upon population, another one-sixth upon population, one-sixth upon area, and one-sixth upon miles of post roads.

Mr. KERR. Mr. President, will the Senator yield?

Mr. CAPEHART. I shall be glad to yield later. My time is limited.

Mr. KERR. I know the Senator does not want the RECORD to show that he has made an error.

Mr. CAPEHART. What we are doing is trying to build 40,000 miles of roads. We are not dealing in population. We are building roads. We have asked each State for X number of interstate miles of roads within its State borders. Why is it not just as realistic to start in Pennsylvania, for example, on the basis of its estimate that it could build the roads for \$811 million rather than under the Gore formula, which would increase the amount by \$515 million?

Who is right and who is wrong? Who knows whether it is \$811 million or \$1,326,000,000? All I am trying to have the Senate to do is to take the House formula and to start from that point and then to pay every State 90 percent of what it actually costs; no more and no less.

If Senators wish me to tell them what I think about the bill, I will tell them. I will tell the Senator from Oklahoma. He talks about its being something—I do not know what he said, because I get lost in trying to follow him when he uses those big words. I will tell the Senator from Oklahoma what I think about the bill. I think it is a lot of pork barrel. I think many of the States under the formula will get a great deal more money than it will cost them to build the Interstate System. They will

take 20 percent, as the bill permits, and put that money into their primary and secondary roads. I believe the real purpose behind the formula in the bill is to provide some pork barrel money. That is what I say, if anyone wants my opinion of it.

Mr. GORE. Mr. President, I yield 1 minute on the bill to the senior Senator from Oklahoma. Following that, I will suggest the absence of a quorum and ask that the Senate proceed to a vote on the amendment.

The PRESIDING OFFICER (Mr. MORSE in the chair). The Senator has 1 minute remaining on the amendment.

Mr. GORE. Then I yield the 1 additional minute on the amendment to the Senator from Oklahoma.

Mr. KERR. Mr. President, the Senator from Indiana is right when he says he gets lost. However, he does not get lost when he is trying to follow the Senator from Oklahoma. He gets lost when he refuses to follow the Senator from Oklahoma.

He said I was talking about an allocation on the basis of population, and he said I was in error. He said I said that one-third of the money was allocated on the basis of population, and he said that is wrong. He said one-half of it is on the basis of population, plus one-sixth on the basis of population. I submit, Mr. President, that one-half and one-sixth is equal to two-thirds. Therefore, the Senator from Indiana has verified rather than disputed what I have said. Under the law, not under the Gore formula, the money is allocated two-thirds on the basis of population, one-sixth on the basis of area, and one-sixth on rural post road mileage. I thank the Senator from Indiana for verifying what I have said. I am regretful he did not know he was doing it.

Mr. GORE. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum and that the time be not charged—

The PRESIDING OFFICER. All time for debate has expired. The request is not necessary.

Mr. GORE. I ask unanimous consent that the time be not charged to the time allowed for debate.

The PRESIDING OFFICER. All time for debate has been consumed. It is not necessary to make the request.

Mr. GORE. Then I ask unanimous consent—

Mr. CAPEHART. Will the Senator yield on that point? Could we have a unanimous-consent agreement that when a quorum is determined or the quorum call called off we immediately proceed to vote without further debate?

Mr. GORE. I was about to make that unanimous consent request and to explain to Members of the Senate that Senators will be called from their dinner for the rollcall, and I believe it would be an accommodation to everyone if we have a unanimous-consent agreement that immediately after a quorum has been determined a vote be had on the amendment.

Mr. CAPEHART. Without further debate.

Mr. GORE. Yes.

The PRESIDING OFFICER. All time for debate has expired. The absence of a quorum has been suggested, and the Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	McNamara
Allott	Fulbright	Millikin
Anderson	George	Monroney
Barrett	Goldwater	Morse
Beall	Gore	Mundt
Bender	Green	Murray
Bennett	Hayden	Neuberger
Bible	Hennings	O'Mahoney
Bricker	Hill	Pastore
Bridges	Holland	Payne
Bush	Hruska	Potter
Butler	Humphrey	Purtell
Byrd	Jackson	Robertson
Capehart	Johnston, S. C.	Russell
Carlson	Kennedy	Saltonstall
Case, N. J.	Kerr	Scott
Case, S. Dak.	Knowland	Smathers
Chavez	Kuchel	Smith, Maine
Cotton	Laird	Smith, N. J.
Curtis	Langer	Stennis
Daniel	Lehman	Symington
Dirksen	Magnuson	Thye
Douglas	Malone	Watkins
Duff	Mansfield	Welker
Dworshak	Martin, Iowa	Williams
Eastland	Martin, Pa.	Wofford
Ellender	McCarthy	Young
Ervin	McClellan	

The PRESIDING OFFICER. A quorum is present.

Mr. CAPEHART. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendments offered by the Senator from Indiana [Mr. CAPEHART] which are being considered en bloc. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The Chief Clerk called the roll.

Mr. GEORGE. On this vote I have a pair with the Senator from Kentucky [Mr. CLEMENTS]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." I withhold my vote.

Mr. SMATHERS. I announce that the Senator from Kentucky [Mr. CLEMENTS], the Senator from Louisiana [Mr. LONG], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

The Senator from Texas [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from West Virginia [Mr. NEELY] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER], the Senator from Louisiana [Mr. LONG], the Senator from West Virginia [Mr. NEELY], and the Senator from Alabama [Mr. SPARKMAN] would each vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Vermont [Mr. FLANDERS], the Senator from Kansas [Mr. SCHOEPPLE], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Iowa [Mr. HICKENLOOPER] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from New York [Mr. Ives] is absent because of illness.

If present and voting, the Senator from Vermont [Mr. FLANDERS] would vote "nay."

On this vote, the Senator from Indiana [Mr. JENNER] is paired with the Senator

from Kansas [Mr. SCHOEPEL]. If present and voting, the Senator from Indiana would vote "yea," and the Senator from Kansas would vote "nay."

The result was announced—yeas 27, nays 55, as follows:

YEAS—27

Alken	Capehart	Magnuson
Barrett	Case, N. J.	McNamara
Beall	Dirksen	Potter
Bender	Ellender	Purtell
Bible	Holland	Robertson
Bricker	Jackson	Russell
Bush	Kennedy	Saltonstall
Butler	Knowland	Smathers
Byrd	Kuchel	Smith, N. J.

NAYS—55

Allott	Green	Morse
Anderson	Hayden	Mundt
Bennett	Hennings	Murray
Bridges	Hill	Neuberger
Carlson	Hruska	O'Mahoney
Case, S. Dak.	Humphrey	Pastore
Chavez	Johnston, S. C.	Payne
Cotton	Kerr	Scott
Curtis	Laird	Smith, Maine
Daniel	Langer	Stennis
Douglas	Lehman	Symington
Duff	Malone	Thye
Dworshak	Mansfield	Watkins
Eastland	Martin, Iowa	Welker
Ervin	Martin, Pa.	Williams
Frear	McCarthy	Wofford
Fulbright	McClellan	Young
Goldwater	Millikin	
Gore	Monroney	

NOT VOTING—13

Clements	Jenner	Schoeppel
Flanders	Johnson, Tex.	Sparkman
George	Kefauver	Wiley
Hickenlooper	Long	
Ives	Neely	

So the amendments offered by Mr. CAPEHART, for himself and Mr. JENNER, were rejected.

Mr. NEUBERGER. Mr. President, I call up my amendment designated "5-17-56-D."

The PRESIDING OFFICER. Does the Senator from Oregon desire that his amendment be read in full?

Mr. NEUBERGER. No; merely by title; and I ask unanimous consent that the amendment may be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, the amendment will be printed in the RECORD.

The amendment offered by Mr. NEUBERGER was on page 11 after line 25, to insert the following new section:

SEC. 108. (a) The Territory of Alaska shall be entitled to share in funds herein or hereafter authorized for expenditure for projects on the Federal-aid primary and secondary highway systems, and extensions thereof within urban areas, under the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916 (39 Stat. 355), and acts amendatory thereof or supplementary thereto, upon the same terms and conditions as the several States and Hawaii and Puerto Rico, and the Territory shall be included in the calculations to determine the basis of apportionment of such funds, except that one-half only of the area of Alaska shall be used in the calculations to determine the area factor in the apportionment of such funds: *Provided*, That the Territory of Alaska shall contribute funds each fiscal year in an amount that shall be not less than 10 percent of the Federal funds apportioned to it for such fiscal year, such contribution to be deposited in a special account in the Federal Treasury for use in conjunction with the Federal funds apportioned to the Territory. The system or systems of roads on which Federal-aid apportionments

to the Territory of Alaska are to be expended shall be determined and agreed upon by the Governor of Alaska, the Territorial Highway Engineer of Alaska, and the Secretary of Commerce, without regard to the limitations contained in section 6 of the Federal Highway Act (42 Stat. 212), as amended and supplemented. The Federal funds apportioned to the Territory of Alaska and the funds contributed by said Territory in accordance herewith may be expended by the Secretary of Commerce either directly or in cooperation with the Territorial Board of Road Commissioners of Alaska and may be so expended separately or in combination and without regard to the matching provisions of the Federal Highway Act; and both such funds may be expended for the maintenance of roads within the system or systems of roads agreed upon under the same terms and conditions as for the construction of such roads.

(b) Effective 60 days after the approval of this act, the functions, duties, and authority pertaining to the construction, repair, and maintenance of roads, tramways, ferries, bridges, trails, and other works in Alaska, conferred upon the Department of the Interior and heretofore administered by the Secretary of the Interior under the Act of June 30, 1932 (47 Stat. 446; 48 U. S. C., sec. 321a and the following), are hereby transferred to the Department of Commerce, and thereafter shall be administered by the Secretary of Commerce, or under his direction, by such officer, or officers, as may be designated by him.

(c) There are hereby transferred to the Department of Commerce, to be employed and expended in connection with the functions, duties, and authority transferred to said Department by paragraph (a) hereof, all personnel employed in connection with any such functions, duties, or authority, and the unexpended balances of appropriations, allocations, or other funds now available, or that hereafter may be made available, for use in connection with such functions, duties, or authority; and the Department of the Interior is directed to turn over to the Secretary of Commerce all equipment, materials, supplies, papers, maps, and documents, or other property (real or personal, and including office equipment and records) used or held in connection with such functions, duties, and authority.

(d) The Secretary of the Interior and the Secretary of Commerce shall take such steps as may be necessary or appropriate to effect the transfer from the Department of the Interior to the Department of Commerce of the functions, duties, and authority, and the funds and property as herein provided for.

(e) The Secretary of Commerce shall have power, by order or regulations, to distribute the duties and authority hereby transferred, and appropriations pertaining thereto, as he may deem proper to accomplish the economical and effective organization and administration thereof.

Renumber the succeeding sections.

The PRESIDING OFFICER. How much time does the Senator from Oregon yield himself?

Mr. NEUBERGER. I yield myself 5 minutes.

The amendment would authorize the extension of Federal-aid highways to the Territory of Alaska on the same terms and conditions as for the Territories of Hawaii and Puerto Rico, insofar as the expenditure per project on the Federal-aid primary, secondary, and urban systems is concerned.

The people of the Territory of Alaska have for many years sought the inclusion of Alaska in the Federal-aid highway program, in order that a compre-

hensive highway program might be developed and carried out there. The lack of highway construction over the years has substantially contributed to the slow development of Alaska and has impaired its ability to raise revenue to finance to highway construction.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. CASE of South Dakota. Does the Senator's amendment use the entire area of the Territory of Alaska as the basis for determining apportionment?

Mr. NEUBERGER. My amendment uses one-half of the total area of Alaska rather than the entire area of the Territory.

Mr. CASE of South Dakota. I do not wish to take the Senator's time to debate that point at length, but I may say that if the entire area of Alaska, or even as much as one-half of it, is used, it is my personal opinion that we will undoubtedly weight the apportionment of highway funds for the Federal, urban, and secondary systems on the one-third population, one-third area, and one-third mileage basis.

I think the proposal would be much sounder if the Senator limited the area to one-third of the Territory, since a large part of the area of Alaska is not inhabited at present, and much of it is not susceptible to the building of roads.

Mr. NEUBERGER. I hope the Senator from South Dakota realizes, so far as the formula is concerned, that Alaska has so few roads that the road part of the formula is reduced very substantially.

Mr. CASE of South Dakota. I realize that. I am sympathetic to the idea of getting a road-building program in Alaska on a standard basis, so to speak. The general idea of putting it under the Department of Commerce or Bureau of Public Roads has much to commend it, rather than be dependent upon chance appropriations from year to year through the Department of the Interior.

Mr. NEUBERGER. I should like to say this to the Senator: After we had talked on the floor yesterday—and we have talked several times in the Committee on Public Works—about the problem of Alaska, I did some figuring and had some statistics obtained from the Bureau of Public Roads. I find that if we were to reduce the area from 50 percent, as it is in my amendment, to 40 percent, that would reduce very substantially the amount of Federal funds which would be received by Alaska. It would make a difference of about \$42 million over the 10-year period.

Let me ask the Senator from South Dakota how he would feel about reducing the percentage to 40. I can show him a table which indicates how much this would diminish the Federal aid funds which Alaska would receive over the 10-year period, if the area factor were reduced from 50 to 40 percent.

Mr. CASE of South Dakota. I recall that when we were discussing statehood for Alaska one of the suggestions made had to do with the division of the Territory, because the area north of the Yukon is only very sparsely inhabited, aside from the city of Nome. That area, since

there is no road construction proposed, should hardly be counted for the purposes of road building. I do not know, specifically, enough about the actual territorial area of the portions of Alaska where it would be desired to build roads to enable me to weigh or evaluate it. I think, however, that if we were to start out on the basis of considering one-third of the area of Alaska, that would not be a bad start, considering that at the present time Alaska is entirely on a hand-out basis.

The PRESIDING OFFICER. The 5 minutes of the Senator from Oregon have expired.

Mr. NEUBERGER. I yield myself 5 additional minutes.

Let me say to the Senator from South Dakota, because I know he shares my interest in this question that if we used the 40-percent factor, so far as area is concerned, for the inclusion of Alaska—

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. NEUBERGER. Let me complete this comment first. It would mean that in the fiscal year 1958 Alaska would receive, in Federal aid funds, \$13,390,000. That would gradually increase to the sum of \$18,300,000 in 1969.

Mr. CASE of South Dakota. Is a certain population growth rate being projected, when that is done?

Mr. NEUBERGER. Yes. That is estimating a certain population growth rate. With the roads available and with the 40-percent factor, the figure goes from \$13 million in 1958 to \$18 million in 1969. That does not seem to me to be a very great Federal contribution to a Territory which is so vast as Alaska, where road building is very expensive, where there exist high mountain ranges, steep terrain, terrific ice conditions, and permafrost, which require expensive roadbed construction.

Mr. CASE of South Dakota. I recognize that, but I have in my hand figures which some of the States will receive for primary, secondary, urban, and even interstate highways, added all together. Under the law, for example, the State of Alabama will get \$17.7 million; Arizona will receive \$10.6 million; Arkansas, \$13 million; California, \$47 million; Colorado, \$13 million; Connecticut, \$8 million; Delaware, \$4 million; Florida, \$14 million; Georgia, \$20 million; Idaho, \$8.6 million; Iowa, \$18 million; Kansas, \$17 million; Kentucky, \$15 million; Louisiana, \$13 million.

I could go down the list.

I am fearful that if there were provided for Alaska more Federal aid money for highway construction than for such well-established States as those I have mentioned, we would run into trouble.

Mr. NEUBERGER. I point out to the Senator that not only is Alaska probably the most expensive area under the American flag in which to construct roads, but that also it is one-fifth the size of the entire United States.

Mr. CASE of South Dakota. I recognize that is true.

Mr. NEUBERGER. Alaska will never have a road program unless it obtains some funds. Today there are only 3,700 miles of highway in Alaska. Only 800

miles of those highways are paved. That compares with 3,842 miles of road in the State of Delaware, and Delaware is an infinitesimal spot compared to the vast area of Alaska. It seems to me that expenditures of from \$13 million in 1958 to \$18 million in 1969 for road building are not exorbitant annual sums for an area for which we have responsibility, which has great national defense needs, and which is only 50 or 60 miles from the domain of the Soviet Union.

Mr. CASE of South Dakota. I recognize the fact that the very able Senator from Oregon ordinarily does not care to make a comparison in relationship to his own State, but for the purposes of illustration, Oregon, under the present law, receives \$12.9 million. Tennessee receives \$18.4. I think that, as a practical matter, to get started in Alaska, it would be the better part of discretion to start on a more modest basis.

Mr. NEUBERGER. I may say to the Senator from South Dakota that my main interest today in this debate is to secure inclusion in the bill of the recognition that Alaska should qualify for Federal aid, just as does Hawaii, Puerto Rico, and the 48 States. I have suggested 50 percent. The Senator from South Dakota has suggested 33 1/3 percent. Would the Senator from South Dakota consider 40 percent to be a reasonable compromise?

Mr. CASE of South Dakota. I think one-third would be better. The Senator has mentioned the Territory of Hawaii. That Territory gets \$3.2 million Federal aid. I think if we attempted to start road construction in Alaska by providing a sum of from \$13 million on up to \$18 million, the Senator would be inviting much trouble.

Mr. NEUBERGER. My main interest is to establish the principle that Alaska should not be further discriminated against. My own personal opinion is that the 50-percent or the 40-percent factor is not unreasonable. However, I believe it is so important and so essential for us to recognize that Alaska does merit inclusion, that I shall ask that the area factor in my amendment be modified to one-third, or 33 1/3 percent.

Mr. President, I wish to modify the amendment which I have submitted.

Mr. CASE of South Dakota. I believe the Senator desires to change the language on page 2, lines 5 and 6, so that the word "one-half" will be changed to "one-third."

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. NEUBERGER. Mr. President, on page 2, lines 5 and 6 of my amendment, I wish to modify my amendment so that the phrase will read "except that one-third only of the area of Alaska shall be used in the calculations."

Does the clerk have that?

The PRESIDING OFFICER. Does the Senator yield himself additional time?

Mr. NEUBERGER. I yield myself 5 additional minutes.

Mr. CASE of South Dakota. Mr. President, I think that is a good modification. I think, at the same time, the Senator is to be commended for proposing that Alaska be put on a regular basis for high-

way development. My own feeling is that over the course of years our investment in Alaska will repay the Nation manifold.

Mr. NEUBERGER. I thank the Senator from South Dakota for his interest. I feel certain that in the case of Alaska we have established today a principle which will help that great area to develop economically and to improve our national defense situation.

Mr. President, I believe that the Senator from Washington [Mr. MAGNUSON] desires to speak briefly at this time. I yield 2 minutes to him.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The Senator from Washington is recognized for 2 minutes.

Mr. MAGNUSON. Mr. President, during the debate I suppose a considerable amount of material has been submitted for the RECORD by the Senator from Oregon [Mr. NEUBERGER] and other Senators, in connection with their presentations as to the real need for the amendment. However, in case all the figures have not been placed in the RECORD, I now ask unanimous consent to have printed at this point in the body of the RECORD a statement or memorandum regarding the amendment.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM ON ALASKA ROADS HISTORY

Uniquely among the States and other Territories, Alaska is not and never has been included in the Federal-aid highway systems.

There are three principal road agencies in Alaska. The most important is the Alaska Road Commission, an operating agency of the Department of the Interior. It constructs and maintains roads on the public domain through direct congressional appropriations made to the Department of the Interior; these appropriations are segregated as to construction and maintenance. There was no segregation as to the two functions until 1951. The Bureau of Public Roads is responsible for forest highways in the two national forests of Alaska, comprising about 5 percent of the total land area. Then there is the Territorial highway department. As a matter of operating expediency, the Alaska Road Commission or the Bureau of Public Roads provides construction or maintenance services for the Territorial highway department on a reimbursable basis. The Territory of Alaska is not required to provide matching funds either for construction or maintenance by any fixed formula. It makes voluntary contributions. The Alaska Road Commission came into existence 51 years ago. Until about 1930 it was under the jurisdiction of the War Department.

Direct congressional appropriations to the Alaska Road Commission totaled in the years from 1913 through 1941 only \$18,197,389. In addition during that period the Alaska Road Commission performed work for the National Park Service in the amount of \$1,517,583.07. Additionally the Alaska Road Commission expended something over \$4 million in appropriated funds derived by imposition of license taxes on Alaska businesses collected by United States clerks of the court and deposited in the United States Treasury. Now Alaskans are permitted through their own legislature to collect their own taxes and to appropriate highway funds more directly.

For many years there was a congressional limitation on forest highway allocations to Alaska. The Territory was denied its rightful share of such appropriations. That prohibition since has been removed.

During World War II years, appropriations remained at what might be termed a subsistence level. Indeed, in the fiscal years 1942, 1943, and 1944 they sank even beneath that point. In the 1944 fiscal year the total appropriation to the Alaska Road Commission for construction and maintenance amounted to only \$500,000.

In the postwar period increasing attention was paid to Alaska's transportation system both in respect to highways and to the Alaska Railroad, which is owned by the Federal Government. There is substantial proof that this was not done to put the railroad in better shape and to improve and extend the highway system in recognition of expanding civilian development and increased civilian population. The really big program which was launched was undertaken at the insistence of the Department of Defense that Alaska's transportation system would have to be improved to meet military requirements.

In recognition of this need the Congress appropriated in the neighborhood of \$80 million for reconstruction of the Alaska Railroad.

Likewise, the highway work which was undertaken brought about black-topping for the first time of many principal highways (this work is continuing) but included comparatively little new road building.

This program was launched in the fiscal year 1948. In the previous year the Alaska Road Commission appropriation had been just under \$4 million. In the following year the figure was over \$1 million and went up to over \$27½ million in 1951. Construction appropriations for the fiscal years from 1949 through 1954 for the Alaska Road Commission totaled over \$116 million.

Thereafter with military necessities largely satisfied, the appropriations plummeted. In the fiscal year 1955 the construction item amounted to only \$8 million; in the following year it went down to \$6,300,000; and for the 1957 fiscal year only \$7,800,000 has been requested.

SIGNIFICANCE

Highway widening, black-topping, and other improvements have naturally been of great assistance to the development of the civilian economy, including tourism, in the regions traversed by the highways. It is important to note, however, that actually even with this comparatively huge expenditure there have been few additions to the total road mileage. And only the public domain has benefited. With the exception of one special-purpose appropriation, southeastern Alaska, the geographical boundaries of which are almost synonymous with Tongass National Forest, has continued on a starvation diet with respect to road money.

This hit and miss policy has had evil consequences not only for the Territory of Alaska but for the Nation. The valley and peak appropriation history for public domain roads, with the peak being visible for only a few years and then only to satisfy national defense needs, leaves Alaska in 1956 with only 3,700 miles of public domain highway of which 800 are paved. This is an area one-fifth as big as the United States. Alaska's area covers 586,000 square miles. Nevada, 110,540 square miles in extent, has 25,545 miles of rural roads. Delaware's 2,057 square miles have 3,842 miles of rural roads.

Had the Federal-aid laws been extended to Alaska at the time of their inception, it follows that the Territory now would have a comparable road system, that there would not have been the need for such heavy expenditures in the postwar years, and that the development of Alaska with a functioning highway system would long since have brought about a larger population.

In the national forests, over 35,000 square miles in area, there are only about 300 miles of roads.

Aside from the larger sums which would be available for roadbuilding were Alaska under the national system, there would be

another great advantage. Roadbuilding could proceed under a planned program. No such planning is possible now because of the ups and downs, chiefly downs, of the annual Interior Department appropriations. For example, the budgetary request for the 1957 fiscal year calls for only \$500,000 for new road construction. This is the second year for which no appropriation request has been made for a highway already started to connect Cordova with the Richardson Highway.

RECOMMENDATIONS

The time has come to place Alaska under the Federal-aid highway system.

We recognize the fact that despite our just entitlements there may be some concern over admission of Alaska to the system immediately on a basis of full equality because of the very considerable sums which Alaska would receive on account of its public-domain area. Likewise, we recognize the fact that because the Federal Government has failed to give Alaska autonomy in ever so many fields a fiscal problem would confront the Territorial legislature if it were required to appropriate the considerably increased funds which would be necessary for carrying on maintenance and providing matching construction funds.

The amendment proposed by Senator Neuberger would allow intermingling of Federal funds for construction or maintenance, and in return for this concession Alaska would receive only half the amount which otherwise would come to it by reason of its public-domain area. This formula provides that the Territorial government would contribute to the highway fund 10 percent of the amount apportioned each year from the Federal Government. It would permit a real roadbuilding program to be launched in Alaska and perhaps, just as important, would permit roadbuilding for the first time to be carried on by means of a planned program.

Mr. MAGNUSON. Mr. President, of course I desire to associate myself with everything the Senator from Oregon has said about the amendment.

Mr. MORSE. Mr. President, will my colleague yield 2 minutes to me?

Mr. NEUBERGER. I yield 2 minutes to the senior Senator from Oregon [Mr. MORSE].

The PRESIDING OFFICER. The Senator from Oregon is recognized for 2 minutes.

Mr. MORSE. Mr. President, I wish to associate myself with the remarks of my able colleague. I think the amendment is a very sound one. Certainly we have an increasing obligation to the Territory of Alaska.

It is very important, not only for the economy of Alaska, but also for the economic interests of the mainland, that this amendment be adopted. It is a most equitable amendment, and I strongly urge its adoption.

Mr. GORE. Mr. President—

The PRESIDING OFFICER. Does the Senator from Tennessee desire to speak in opposition to the amendment?

Mr. GORE. Yes.

Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 5 minutes.

Mr. KERR. Mr. President, will the Senator from Tennessee yield to me?

Mr. GORE. I yield.

Mr. KERR. I should like to ask the sponsors of the amendment to amend it or modify it so that the allocation for

Alaska, in reference to its area, will not exceed that of any State of the Union.

In the modified amendment the Senator from Oregon has provided that—

The Territory of Alaska shall be included in the calculations to determine the basis of apportionment of such funds, except that one-third only of the area of Alaska shall be used in the calculations to determine the area factor in the apportionment of such funds.

I have just read the modified portion of the Senator's amendment.

I wish to ask the Senator from Oregon what the area of Alaska is.

Mr. NEUBERGER. I think it is approximately 586,000 square miles. It is about twice the area of Texas, if I am not mistaken.

Mr. KERR. I should like to have the Record show the accurate figure. I believe the area of Alaska is twice the area of Texas.

Mr. NEUBERGER. I believe the area of Alaska is approximately 586,000 square miles. Let me say that I do not have a World Almanac before me.

Yes, Mr. President; I find that my memory is correct, and that the area of Alaska is 586,000 square miles.

Mr. KERR. What is the area of Texas?

Mr. NEUBERGER. I am not as much of an expert on Texas as I am on Alaska; but I think the area of Texas is approximately 250,000 square miles, if I am not mistaken.

Mr. KERR. I think the area of Texas is approximately two hundred and sixty-odd thousand square miles. So the area of Alaska is more than twice that of the largest State in the Union.

Mr. NEUBERGER. Under my amendment, as now modified, only one-third of the area of Alaska will be used in the calculations.

Mr. KERR. But that would still leave Alaska with an area factor larger than that of any State of the Union, other than Texas. I do not believe that Alaska needs that much.

I am much in favor of the spirit of the Senator's amendment. However, in view of the extraordinary size of Alaska, I should think, unless the Senator from Oregon would accept a modification or amendment of his amendment, so that the allocation to Alaska on the basis of area would not exceed that to the average State of the Union, that his amendment would be subject to serious doubt.

Mr. NEUBERGER. Mr. President, let me say to the distinguished Senator from Oklahoma that already one part of the formula is very small with respect to Alaska, and that is in the case of its miles of rural post roads. Furthermore, the population of Alaska is not large.

Mr. KERR. Would the Senator from Oregon accept the figure of 100,000 square miles for the area factor for Alaska?

Mr. NEUBERGER. We now have the figure at approximately 180,000 square miles. We must remember that Alaska has been receiving certain direct appropriations from the Interior Department, under the Interior Department bill with respect to road building. Occasionally such funds for Alaska are as large as \$20

million, when the military needs in that area are urgent. At other times, such funds for Alaska virtually disappear, decreasing to less than \$1 million. In other words, the funds for Alaska are made available on a hit-or-miss basis; and Alaska cannot count on any particular amount of funds. However, in view of the tremendous area of Alaska and the mountainous terrain and the permafrost conditions in the ground, I do not believe an area factor of 100,000 square miles would be sufficient for Alaska, for purposes of road building.

Mr. KERR. But does not the Senator from Oregon realize that nine-tenths of Alaska cannot have roads built on it?

Mr. NEUBERGER. But in Alaska there are widely separated areas of development which must be linked if Alaska is to amount to anything.

Mr. KERR. But all those areas are along the coast, are they not?

Mr. NEUBERGER. Of course, there are also communities in the interior—such as Fairbanks—and also communities on the more remote portions of the coast—such as Nome. They are much farther to the north. In such areas, road building is extremely expensive and difficult.

Let me state what the Federal contribution to Alaska would be if we used for calculation purposes one-third of the area of Alaska, the Federal contribution in 1958 would be \$11,456,000.

Mr. KERR. For what?

Mr. NEUBERGER. For the Federal funds for Alaska for primary, secondary, and urban roads. That would be the total contribution in the fiscal year 1958. That amount would increase in 1969 to \$15,657,000.

When we consider the immense area of Alaska and the difficulty and expense of road construction there, I cannot believe that a Federal contribution, beginning with \$11,456,000 in 1958, and increasing to \$15,657,000 in 1969, would be exorbitant.

Mr. KERR. Would those funds not be in addition to the funds Alaska now receives through the Interior Department?

Mr. NEUBERGER. No; it is my presumption that with the inclusion of Alaska in the Federal-aid program, Alaska's direct appropriations for road building, under the Interior Department budget, would cease.

Mr. KERR. But the Senator from Oregon does not have in the amendment any provision to bring that about, nor has any such provision been sought. Alaska would still receive its allocation for forest roads, forest trails, and so forth.

Mr. NEUBERGER. I would be perfectly willing to include in the amendment an additional sentence, if the Senator from Oklahoma desired it, namely, that these Federal-aid funds—

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. GORE. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 5 additional minutes.

Mr. GORE. Mr. President, I yield further to the Senator from Oklahoma.

Mr. KERR. Mr. President, I would not wish to have any of the funds now going to Alaska transferred from Alaska—for the reason that the funds now going to Alaska are in connection with public lands, the public domain, and forests. There are vast forests in Alaska; and in the future, as well as in the past, Alaska will have need for such funds.

Mr. NEUBERGER. But these funds will supplant those. Furthermore, we wish to have the funds for Alaska placed on a regular basis.

Mr. KERR. Even if Alaska receives less money?

Mr. NEUBERGER. I think it would be better to have Alaska receive less money, rather than be subjected to a fluctuating program, under which in 1 year there would be a large amount of funds for roadbuilding, because of a military emergency, and in a subsequent year, after the emergency subsided, such funds for Alaska would virtually vanish.

Mr. KERR. Mr. President, I withdraw my proposed amendment to the amendment of the Senator from Oregon.

Mr. HOLLAND. Mr. President, will the Senator from Oregon yield to me?

Mr. NEUBERGER. I yield.

Mr. HOLLAND. Mr. President, I am anxious that Alaska shall have more generous support in connection with roadbuilding funds than she has had heretofore.

Does the Senator from Oregon know what part the public land factor will play in the road allotment for Alaska if the amendment of the Senator from Oregon is adopted? He knows, of course, that when there are large acreages of public lands in any of the States, they receive special consideration by reason of that fact.

Mr. NEUBERGER. The amendment which I have proposed provides that, because of the special situation in Alaska, the Territory—or the State, as the case may be—would put up only 10 percent matching funds. It has been my presumption in offering this amendment that this would be the total amount Alaska would receive for roadbuilding in any 1 year. The allocation would be governed by Alaska's population, and by its rural post road mileage, under the formula outlined by the able Senator from Oklahoma [Mr. KERR] when he was discussing the Capehart amendment. Yet only one-third of Alaska's area would be involved, under the terms of my amendment as modified.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr. HOLLAND. The point I am trying to bring out is this: There are two special considerations given to States with large acreages of public lands. One is a special figuring down of the State's proportion of the payment by reason of the fact that the Federal Government owns a large part of its area.

The second is a special provision which was discussed a few minutes ago, relative to the granting of \$2 million a year to public land States for the construction

of public highways which extend across the public lands. As I understand, the States with large acreages of public lands have two special considerations which have been traditionally accorded to them for years.

How does that factor relate to the added recognition which the Senator—very properly, as I see it—is trying to give to the Territory of Alaska for additional highway construction?

Mr. NEUBERGER. It has been my presumption, in offering this amendment, that Alaska would continue to get its forest highway funds, for roads in the national forests, but that the direct Department of the Interior Appropriations which have been made in the past for road construction in Alaska, with great fluctuations, would cease. The same situation, with respect to forest road funds, obtains in our Western States. For example, the States of Washington and Oregon receive forest roads funds in addition to Federal aid for their primary, secondary, and urban systems.

Mr. HOLLAND. Of course, the Senator is correct with reference to the national forest acreage. However, the public lands acreage which is in the custody of the Interior Department results in giving to certain States special consideration under two different classifications, as I recall.

I wonder if the distinguished Senator is giving to Alaska the consideration which should arise from the fact that a very large part of its total acreage is neither privately owned nor in national forests, but consists of public lands which are under the jurisdiction of the Department of the Interior.

Mr. NEUBERGER. It is obvious that Alaska presents a very special situation. I think 99 percent, or a little more, of the area of Alaska is held by the Federal Government.

Mr. HOLLAND. Ninety-seven percent.

Mr. NEUBERGER. We will not quarrel over the difference. A very large percentage of Alaska is held by the Federal Government.

It has been my understanding, in discussions with the staff of the Public Works Committee and the Delegate from Alaska, who is in the Chamber at this moment, that this amendment, to put Alaska under the Federal aid program for highway building, would supersede any direct appropriations which have been made in the Interior Department budget or any other budget, for road building in Alaska, with the exception of the forest road program, for roads in the national forests. This is a separate program, as the distinguished Senator from Florida knows.

Mr. HOLLAND. Does the Senator speak of forest highways, or of forest roads for the purpose of developing and getting out the products of the forests? There are two separate classifications.

Mr. NEUBERGER. I realize that there are two separate classifications. I refer to both of them. I think both would be outside the Federal-aid program, just as both of them are outside the Federal-aid program in Oregon, Washington, Idaho, and other Western States.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. NEUBERGER. Mr. President, I yield myself 5 more minutes, and I yield to the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, I am most sympathetic toward the proposal of the Senator from Oregon. I think I know Alaska. But we cannot approach the solution of the problem in Alaska as we would approach the problem in the Senator's State, or any other State.

In the first place, there are geographical difficulties. We can build a little road around Ketchikan, but we cannot go from Ketchikan to Juneau. We can build a road around Juneau, for 14, 20, or 30 miles, but we cannot continue that road over to Anchorage. The only place where we actually have a real system of highways is from Anchorage to Fairbanks, and then on the Alcan Road over to Missoula, Mont. That is the difficulty involved in approaching the problem of roads in Alaska. In the first place, 99 percent of the area is public domain.

Mr. NEUBERGER. That is what I stated earlier, in the discussion with the distinguished Senator from Florida.

Mr. CHAVEZ. Notwithstanding the fact that 99 percent of the area is public domain, there is not an available mile in the 99 percent. There is nothing there to which to build a road. So the roads must be isolated and sectionalized.

Mr. NEUBERGER. The distinguished Senator is familiar with Alaska, as I am.

It is my understanding that a vast road system has been built in the Soviet Union, in Siberia, across the Bering Strait, and in the same latitude as Alaska, in the same geographical situation as Alaska, with the same difficulties Alaska faces. Many roads have been built in the Scandinavian countries, which are in the same latitude as Alaska, and have the same type of coastline, and similar difficulties. But we are not going to have a road system in Alaska so long as Alaska does not share in the Federal-aid system.

Mr. CHAVEZ. I want it to share in the Federal-aid system, but I want to approach the problem from the standpoint of the situation in Alaska, and not from the standpoint of the situation with respect to general roadbuilding in the United States. The situation is entirely different. The geography is different. The profile is different. The territory is different. So we must approach the problem from the standpoint of the needs of Alaska. Alaska does need roads. We ought to be concerned about the need for roads.

However, I do not believe that the proposed transfer would solve the problem. I wish we could treat Alaska in a separate manner, as a separate problem, instead of in a general road bill.

Mr. NEUBERGER. It seems to me that, if we can include Hawaii and Puerto Rico and if we can levy new taxes on the people of Alaska under title II of the bill—

Mr. CHAVEZ. I will go further than does the Senator. I am for statehood for Alaska.

Mr. NEUBERGER. That is not further than I go. I favor statehood for Alaska, too.

Mr. CHAVEZ. I would include not only Hawaii and Puerto Rico but also Alaska.

I am sympathetic toward the problem. If the chairman of the subcommittee is willing to take the modified amendment to conference, I shall be glad to accept it.

Mr. NEUBERGER. I thank the distinguished chairman of the committee, and I wish to compliment him on his vast knowledge of Alaska, where I was stationed during the war.

Mr. CHAVEZ. I thank the Senator. I am willing to accept the amendment as modified.

Mr. GORE. Mr. President, I yield 1 minute to myself.

The committee considered the question of Alaska. The committee was convinced that Alaska needed and deserved more road development than she has. It was the very difficulty about which the distinguished chairman of the committee has been speaking, namely, the impracticability of applying to Alaska a formula which suits the 48 States, that got us into trouble. However, inasmuch as the Senator from Oregon has modified his amendment, and with the understanding that the committee members are not committed to the exact terms of the amendment in conference, I am willing to accept the amendment, as modified, and take it to conference in the hope that we can arrive at something beneficial to the Territory of Alaska.

Mr. HOLLAND. Mr. President, will the Senator yield 3 minutes to me?

Mr. GORE. I yield 3 minutes to the Senator from Florida.

Mr. HOLLAND. The printed record of the hearings, on page 841, shows the application of the special rule to States which have large acreages of public lands. Taking the States alphabetically, the first State in the list is Arizona. In Arizona the percentage of the cost contributed by the Federal Government to primary-aid and secondary-aid projects, instead of being 50 percent, as in the normal State, would be 71.95 percent. The reason for that is that 43.9 percent of the lands in Arizona belong to the Federal Government. Half of that 43.9 percent, or 21.95 percent, is added to the 50 percent to make 71.95 percent.

In addition to that, as the distinguished Senator from Tennessee well knows, and as the distinguished Senator from Oregon also well knows, additional special consideration is given to States which have large blocks of public acreage, by the provisions discussed a few minutes ago, under which \$2 million a year is permitted for the construction of trunk routes through those public lands.

My understanding is—and if I am not correct in my understanding, I should like to be corrected—that the amendment offered by the Senator from Oregon in effect replaces both of those provisions by the amendment which is suggested, under which the territory of Alaska would make up about 10 percent of the total cost of Federal-aid projects, notwithstanding the fact that about 95 per-

cent of the area in Alaska is federally owned land.

Mr. NEUBERGER. That is absolutely correct. That is the way we have tried to meet this special and unique situation in Alaska.

Mr. HOLLAND. That proposal is a substitute, although it is a less generous one than the two provisions which I have quoted as applicable to States. Is that correct?

Mr. NEUBERGER. That is correct. That is the way we have attempted to solve the long injustice with respect to Alaska.

Mr. HOLLAND. I thank the Senator from Oregon.

Mr. NEUBERGER. I thank the Senator from Florida.

The PRESIDING OFFICER. Does the Senator from Tennessee yield back the remainder of his time?

Mr. GORE. I yield back the remainder of my time.

The PRESIDING OFFICER. Does the Senator from Oregon yield back the remainder of his time?

Mr. NEUBERGER. I do. I first wish to thank the Senator from Tennessee and the Senator from New Mexico for their cooperation in this vital question confronting the great Territory of Alaska.

The PRESIDING OFFICER. All time for debate has expired. The question is on agreeing to the amendment offered by the Senator from Oregon [Mr. NEUBERGER].

The amendment was agreed to.

Mr. COTTON. Mr. President, I call up my amendment "5-28-56-J."

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. On page 49, after the period in line 5, it is proposed to insert the following:

Such agreements shall also contain a clause providing that the State will not permit automotive service stations or other commercial establishments for serving motor vehicle users to be constructed or located on the rights-of-way of the Interstate System.

Mr. COTTON. Mr. President, I yield myself 4 minutes.

In the House bill, at page 27 of the bill, a provision was inserted by the House, which reads as follows:

Such agreements shall also contain provisions to insure that the user of the Interstate System will receive the benefits of free competition in purchasing supplies and services at or adjacent to highways in such System, and such agreements shall also contain a clause providing that the State will not permit automotive service stations or other commercial establishments for serving motor vehicle users to be constructed or located on the right-of-way of the Interstate System.

The purpose of the provision was to prevent the granting of monopolies along the highways, particularly with respect to oil companies and restaurants, to the exclusion of everyone else.

Such a provision is not contained in the Senate bill. I am offering only half of what is contained in the House bill in that regard. I am offering that part of it which provides that no agreements

shall contain a clause permitting commercial establishments within the limits of the highway. There are two reasons for that, and I can recite each reason within 10 seconds.

The first one is that if they are not on the highway, they will be built on private property, and it is rather obvious that even though the State will control the ingress and egress, it will not be possible to grant monopolies.

The other reason is that it is highly imperative, in the opinion of many members of the committee, that in the Senate bill the wording should be different from the House bill, so as to enable the committee on conference—there being a difference—to review the whole matter and to try to effectuate the intent in the best possible way.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. MAGNUSON. I wish to join the Senator in his amendment. Many people in the West—and I suppose the same is true of people in other parts of the country, particularly motel owners—do not want to be deprived of opportunities by a bill which would allow some kind of monopoly on a Federal highway system or on Federal land. It is a very good amendment, and I wish to join the Senator in support of it.

Mr. COTTON. I thank the Senator. It is my understanding that the Senator from Tennessee is agreeable to accepting the amendment.

Mr. GORE. Mr. President, will the Senator yield?

Mr. COTTON. I yield.

Mr. GORE. I have listened to the argument of the able Senator from New Hampshire, and I have also talked with him about it. I have also discussed the matter with the distinguished senior Senator from Washington [Mr. Magnuson] and with other Senators. I am not authorized by the committee to act in the matter, but I am convinced that the amendment should be adopted. It serves a good purpose and it is well drawn. I will take the responsibility of accepting it.

Mr. COTTON. I thank the Senator. If the Senate will adopt the amendment, I shall have nothing further to say about it.

The PRESIDING OFFICER. Do the Senators yield back the remainder of the time?

Mr. GORE. I yield back the remainder of my time.

Mr. COTTON. I do, also.

The PRESIDING OFFICER. All time for debate has expired. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. Cotton] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. GORE. Mr. President, I ask unanimous consent that on page 45, line 4, the figure "1956" be changed to "1957"; and that on page 45, line 5, the figure "1961" be changed to "1962".

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENDER obtained the floor.

Mr. BENDER. Mr. President, I yield to the Senator from Washington.

Mr. MAGNUSON. Mr. President, I have two amendments at the desk, but I shall not press them because the subject of the amendments has been practically resolved and voted on. However, I wish to take 5 minutes to ask the distinguished Senator from Tennessee a few questions for the benefit of the Record. It is a matter which is of extreme importance to us on the Pacific coast. It is important also to the State of Nevada and to the State of California.

As I understand, the Federal Government has never participated in aiding the construction of so-called toll bridges and toll roads and toll tunnels. Is that correct?

Mr. GORE. I believe that is correct.

Mr. MAGNUSON. Therefore, the construction of a specific piece of road which would require a toll tunnel through the mountains, such as the Cascade or Sierra Nevada Mountains, which run precipitously down to the coast, or a piece of road which would call for the construction of toll bridges, would not be included in the bill. Is that correct?

Mr. GORE. On the Interstate System a tunnel would have to be free.

Mr. MAGNUSON. Free.

Mr. GORE. If such a tunnel or bridge is constructed on an interstate route and the project receives the approval of the Bureau of Roads, the Federal Government would contribute up to 90 percent of the cost, the State would have to provide 10 percent of the cost, and the facility would have to be free.

Mr. MAGNUSON. I should like to ask this question. I believe the Senator from California [Mr. Knowland] will be interested in it also. Two of the major interstate routes run to the west coast. One stretches from Spokane to a point where it runs into the mountains close to Puget Sound. Then there is a great rise over 2 or 3 passes into the Puget Sound area. Similarly, an interstate route runs from Reno through the Sacramento Valley, and that route will have to be improved considerably if we are to have a free highway system along that route. Those two routes will require tunnels through the Cascade and the Sierra Nevada Mountains, and they would cost a great deal more per mile than would any other sections of the Interstate Highway System of the United States.

As I understand, the Senator from Tennessee states that even though the added cost—as in the case of a Cascade tunnel in my section of the country, or the improvement of the highway into the Sacramento Valley—might seem to be very high for those sections, it is still possible if the Bureau of Public Roads approved, under the provisions of this bill, to have a free highway system and an accessible one, even though the highway had to surmount the almost insurmountable barricade of the Sierra Nevada and Cascade Mountains.

Mr. GORE. That is correct. It is very similar to the construction of a through route through one of our great municipal centers. There the right-of-way may cost 10 times as much as the actual construction of the road, but so

long as it is on an interstate route and so designated, so long as the plan and program submitted by the State highway department meet the approval of the Department of Commerce, Bureau of Public Roads, it is eligible for construction on a 90-percent contribution basis. The same would be true of a causeway in Louisiana, for example.

Mr. MAGNUSON. Let us use the figure \$100 million for a Cascade tunnel. Suppose the State should appropriate twenty-five or thirty million dollars. Could it submit that figure as the cost, rather than the full cost, and receive the 90-percent contribution? In some cases the States may be so desirous of having a Cascade tunnel that they would reduce the cost down to an amount which might be more reasonable. Could that be done?

Mr. GORE. I am not sure that I correctly understand the Senator.

Mr. MAGNUSON. Supposing the cost of the tunnel is \$100 million. If we submit that figure for a short route it might be too high to receive the approval of the Bureau of Public Roads. Supposing the State itself, over and above the 10 percent, cuts the cost and appropriates some money. Could it still apply for the remainder, if it is on an interstate route?

Mr. GORE. I wish to make it plain that the bill does not prescribe the standards which must be met. Those standards, under existing law, are determined by the Bureau of Public Roads. So long as the project sponsored by the Senator's State meets the minimum standard and is also on an interstate route and receives the approval of the Bureau of Public Roads, it would be eligible for a 90 percent Federal contribution.

The Senator's State is subject to an apportionment, and if a single tunnel costs \$100 million, then the State would have to choose between using a large portion of its apportionment on that particular tunnel, or using it otherwise. But that would be within the choice of the State, subject to the approval of the Bureau of Public Roads.

Mr. MAGNUSON. And the State could make a local contribution to a given project, because of its peculiar situation.

Mr. GORE. There is certainly no prohibition against that, except that it must be a free facility.

Mr. MAGNUSON. Yes. I have one further question. I know the Senator can answer it only generally, but I have noticed that in the bill the word "tunnel" does not appear.

Mr. GORE. No. I do not recall that it does, nor do I think the word "causeway" is contained in the bill. But they are both parts of a public roads system.

Mr. MAGNUSON. And the Senator thinks that the word "tunnel" would not be obnoxious in a particular case?

Mr. GORE. I cannot commit the Bureau of Public Roads as to what they might accept.

Mr. MAGNUSON. I thank the Senator from Tennessee, and I also wish to thank the Senator from Ohio [Mr. Bender] for yielding to me.

Mr. BENDER. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Ohio will be stated.

The LEGISLATIVE CLERK. On page 45, at the end of line 5, it is proposed to insert the following:

Such agreements may, however, authorize a State or political subdivision thereof to use the air space above and below the established grade line of the highway pavement for the parking of motor vehicles, provided such use does not interfere in any way with the free flow of traffic on the interstate system.

Mr. BENDER. Mr. President, I would say to my colleague, the Senator from Washington [Mr. MAGNUSON], that if the Cotton amendment had been adopted, this amendment would not be necessary. The House passed this amendment unanimously. It deals with a problem which Cincinnati and several other cities have in connection with their parking problems. Some of the cities have narrow streets. Unless there is some question about it, I would appreciate it if we may consider the amendment immediately. I would spare the time of the Members by asking for a vote on my amendment at this time.

Mr. GORE. Mr. President, may the clerk state the amendment again? I apologize to the able Senator from Ohio. I was in conference with another Senator and I did not hear the amendment read. I am sorry.

Mr. President, the able Senator from Ohio has now identified his amendment. I am acquainted with it, and I accept it. SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. Does the Senator from Tennessee yield back his time?

Mr. GORE. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. BENDER] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. BUSH. Mr. President, I call up my amendment identified as "5-25-56-D."

The PRESIDING OFFICER. The amendment offered by the Senator from Connecticut will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 49, between lines 24 and 25, it is proposed to insert the following new sections:

SEC. 117. It is hereby declared to be the intent and policy of the Congress to equitably reimburse the States for any portion of a highway which is on the National System of Interstate Highways, whether toll or free, the construction of which has been completed subsequent to August 2, 1947, or which is either in actual use or under construction by contract, for completion, awarded not later than June 30, 1957, and such highway meets the standards required by this title for the National System of Interstate Highways. The time, method, and amounts of such reimbursement shall be determined by the Congress following a study which the Secretary of Commerce is hereby authorized and directed to conduct, in cooperation with the State highway departments, and other agencies as may be required, to determine which highways in the National System of Interstate Highways measure up to the standards required by this

title, including all related factors of cost, depreciation, participation of Federal funds, and any other items relevant thereto. A complete report of the results of such study shall be submitted to the Congress within 10 days subsequent to January 2, 1958. It is also declared to be the policy and intent of the Congress to provide funds necessary to make such reimbursements to the States as may be determined.

SEC. 118. (a) The Secretary of Commerce is authorized to approve as part of the National System of Interstate Highways any toll road, bridge, or tunnel, now or hereafter constructed which meets the standards adopted for the improvement of projects located on such system, whenever such toll road, bridge, or tunnel forms a logical segment of such system: *Provided*, That no Federal-aid highway funds shall be expended for the construction, reconstruction, or improvement of any such toll road except to the extent hereafter permitted by law: *Provided further*, That no Federal-aid highway funds shall be expended for the construction, reconstruction, or improvement of any such toll bridge or tunnel except to the extent now or hereafter permitted by law.

(b) The funds authorized under this title, or under prior acts, shall be available for expenditure on projects approaching any toll road, bridge, or tunnel to a point where such project will have some use irrespective of its use for such toll road, bridge, or tunnel.

(c) The funds authorized under this title, or under prior acts, shall be available for expenditure on projects approaching any toll road on the National System of Interstate Highways, even though the project has no use other than as an approach to such toll road: *Provided*, That agreement has been reached with the State prior to approval of any such project (1) that the section of toll road will become free to the public upon retirement of any bonds outstanding at the time of the agreement, (2) that all toll collections are used for maintenance and operation and debt service of the section of road incorporated into the National System of Interstate Highways, and (3) that there is one or more reasonably satisfactory alternate free routes available to traffic by which the toll section of the system may be bypassed.

(d) Nothing in this title shall be deemed to repeal the act approved March 3, 1927 (44 Stat. 1398), or subsection (g) of section 204 of the National Industrial Recovery Act (48 Stat. 200), and such acts are hereby amended to include tunnels as well as bridges.

Remember the following sections in title I accordingly.

Mr. BUSH. Mr. President, the purpose of the amendment is to declare it to be the intent and the policy of the Congress equitably to reimburse the States for any portion of a highway which is on the National System of Interstate Highways, whether toll or free, the construction of which has been completed subsequent to August 2, 1947, or which is either in actual use or under construction by contract, for completion, awarded not later than June 30, 1957, and such highway meets the standards required by this title for the National System of Interstate Highways.

The time, method, and amounts of such reimbursement shall be determined by the Congress following a study which the Secretary of Commerce is authorized and directed to conduct, in cooperation with the State highway departments and other agencies as may be required, to determine which highways in the National System of Interstate Highways measure up to the standards required by

this title, including all related factors of cost, depreciation, participation of Federal funds, and any other items relevant thereto. A complete report of the results of such study shall be submitted to the Congress within 10 days subsequent to January 2, 1958.

It is also declared to be the policy and intent of the Congress to provide funds necessary to make such reimbursements to the States as may be determined.

So this is a declaration of policy, Mr. President, designed to reimburse the States for that portion, or any portion, of a highway which is on the national system, whether it be toll or free, the construction of which has been completed subsequent to August 2, 1947, or which is either in actual use or under construction by contract, for completion, awarded not later than June 30, 1957.

I should say, before I proceed further, that the amendment was offered for myself and the Senator from New York [Mr. LEHMAN]. I neglected to mention that at the outset of my remarks.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. BUSH. I yield for a question.

Mr. CARLSON. I sincerely appreciate the offering of the amendment, which is cosponsored by the junior Senator from New York. I think the amendment has merit and should be given consideration by the Senate. I earnestly hope that it will be approved.

I should like to suggest, however, that some language on lines 6 and 7, on page 1, including the date, June 30, 1957, be stricken. The language which I propose to strike out reads:

For which is either in actual use or under construction by contract, for completion, awarded not later than June 30, 1957.

It occurs to me that that language should be stricken because this is to be a long-range highway program, extending from 13 to 16 years. There may be States or areas where a road could be completed within 4 or 5 years, and it might be necessary that it be completed within that time. It could be completed as a toll road, as a part of the Interstate System, and would take care of the increasing traffic.

I hope that the date, June 30, 1957, will be eliminated, because I do not think it adds anything to the bill. I think it would be very helpful to leave the date open on that basis.

Mr. BUSH. I should be glad to accept the modification suggested by the Senator from Kansas. However, I should like to ascertain the view of the distinguished acting majority leader on that point.

Mr. GORE. Mr. President, will the Senator yield?

Mr. BUSH. I am glad to yield.

Mr. GORE. Undoubtedly there are equities which deserve to be considered with respect to the States which have built toll thoroughfares which conform to the standards of the Interstate System.

Mr. BUSH. And also, I may add, free roads.

Mr. GORE. And free roads.

I am not in a position to accept the amendment as declaring the intent and

policy of Congress, because as chairman of the subcommittee on roads I am the agent of a committee in which the sentiment was rather strongly against this proposal. If the committee had the benefit of a careful study and report, it would be in a position to give consideration to the equities which we all acknowledge exist.

Because of the lateness of the hour, I wonder if the Senator from Connecticut would be willing to modify his amendment so as to begin, on page 2, line 4, with the word "the." The amendment then would read:

The Secretary of Commerce is hereby authorized and directed to conduct, in cooperation with the State highway departments, and other agencies as may be required, to determine which highways, whether toll or free, measure up to the standards required for inclusion in the National System of Interstate Highways, including all related factors of cost, depreciation, participation of Federal funds, and any other items relevant thereto. A complete report of the results of such study shall be submitted to the Congress within 10 days subsequent to January 2, 1958.

Mr. BUSH. On that point, I should be glad to have the comments of my colleague, the junior Senator from New York, who is a joint sponsor of the amendment.

Mr. LEHMAN. Mr. President, when I agreed to become a cosponsor of the amendment offered by the able Senator from Connecticut, I was under the impression, and very naturally and appropriately so, that not only was section 117 to be offered, but also section 118.

Mr. BUSH. I may say to the Senator from New York that I had not finished my discussion of the amendment when I was asked by the Senator from Kansas to yield. I intended to offer the whole amendment. The reason why I did not discuss the next section was that the Senator from Kansas asked me to yield at that point. Then we turned to the Senator from Tennessee for his advice.

The Senator from Tennessee has asked us to change section 117 substantially. The effect of what the Senator from Tennessee has said is that he wants to eliminate entirely the declaration of intent and policy of Congress to reimburse equitably such States. I hope I am correctly interpreting his suggestion.

He wants to eliminate the intent and policy entirely, and simply to reduce section 117 to a requirement that the Secretary of Commerce shall make a study of the possibilities involved in the reimbursement for such facilities. Is that not correct?

Mr. GORE. The Senator is correct.

Mr. BUSH. I should like to ask my cosponsor, the Senator from New York, for his views. I am very much disinclined to accept the modification suggested by the Senator from Tennessee.

Mr. LEHMAN. I, too, am very much disinclined to accept it. In fact, I could not possibly accept it. I still have great hope that the distinguished Senator from Tennessee will accept the amendment as it now reads.

Mr. GORE. Mr. President, will the Senator yield?

Mr. BUSH. I am glad to yield.

Mr. GORE. A chairman of a committee in charge of a bill, as the able Senator knows, has certain latitude in accepting amendments, and I think properly so. That latitude, however, is circumscribed severely when an amendment is offered which is a part of a bill identical in terms with a bill which already has passed the House.

Should I accept the amendment as the Senator has proposed it here, it would then not be the subject of a conference at all. I would be acting in violation of what I know to be the sentiment of the committee of which I am the agent.

So, much as I would like to yield to the entreaty of my distinguished friends and colleagues, for whom I have not only a very high regard, but also the warmest of personal affection, I am simply not in a position to do so.

I could accept the amendment with the modification I have suggested, and I should feel justified in doing so. But as the Senator has presented the amendment in toto, I should have to ask for a ye and nay vote; I could not do otherwise.

Mr. LEHMAN. Mr. President, will the Senator yield for a brief statement?

Mr. BUSH. I yield to the Senator from New York.

Mr. LEHMAN. I realize the obligation of the distinguished Senator from Tennessee; but I hope he also realizes that I have a responsibility and obligation to my own State.

Mr. GORE. I do, indeed.

Mr. LEHMAN. The amendment which was proposed by my colleague from Connecticut, and which I was very glad to join in cosponsoring, is requested by the administration of the State of New York, representing the 16 million people of that State.

As a matter of fact, I believe I may say parenthetically, the amendment is in the interest of a great many other States, as well. Not only is it in the interest of New York and Connecticut, but it is also in the interest of States such as Pennsylvania, New Jersey, Kansas, and others.

Mr. BUSH. And California.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. BUSH. I am glad to yield.

Mr. GORE. As I have said, this provision is in the House bill. If the two distinguished Senators would accept the modification I have suggested, and would eliminate from the amendment the declaration of intent and policy, which at least is a moral commitment upon a future Congress, I would not only be prepared to accept the amendment but as a conferee I would be prepared to give it most sympathetic consideration.

Mr. BUSH. I had not finished my explanation of the amendment, including section 118.

Mr. CARLSON. Mr. President, will the Senator yield before he discusses that section?

Mr. BUSH. I yield.

Mr. CARLSON. I wonder if I could ask the able Senator from Tennessee to take the sentence beginning on line 14, and ending in line 16 on page 2 as a part of this section? Then the first part of

the section would be eliminated, and the amendment still could go to conference.

As I understand, the Senator from Tennessee wants to have something to take to conference. I think that is not more than right, but I do not think the Senate ought to pass a bill without putting in it some language based upon intent. As a matter of fact, I had considered offering an amendment, and I now read three lines from it:

As proof of the good faith of this declaration of intent and purpose of the Congress, during the period from June 30, 1956, until the time when the Congress takes action upon the results of the study hereafter provided, the sum of—

I had intended to put in a certain number of dollars at that point. I think we ought to be very definite, because certain States have built toll roads. They are going to be paid for by the people who travel on them. At the same time, people traveling on the highways will be paying, through taxes on tires and gasoline, for the free roads.

I appreciate the statement of the Senator from Tennessee that he wants to have something in conference. If a portion of the amendment is left out and the Senator takes the quotation I have read, he will still have something in conference.

Mr. GORE. I may still have something in conference, but it will be a very slim need, because the sentence on lines 14, 15, and 16 of page 2 is really a repetition of the declaration of intent and policy on lines 1 and 2 on page 1. I would be prepared to accept the part I read to the able Senator, ending with the figure "1958" on line 14, page 2, with the modifications I read as I proceeded and then beginning with section 118, down through line 5 on page 3.

Mr. BUSH. Mr. President, I should like to read that language from section 118:

(a) The Secretary of Commerce is authorized to approve as part of the National System of Interstate Highways any toll road, bridge, or tunnel, now or hereafter constructed which meets the standards adopted for the improvement of projects located on such system, whenever such toll road, bridge, or tunnel forms a logical segment of such system: *Provided*, That no Federal-aid highway funds shall be expended for the construction, reconstruction, or after permitted by law: *Provided further*, That no Federal-aid highway funds shall be expended for the construction, reconstruction, or improvement of any such toll bridge or tunnel except to the extent now or hereafter permitted by law.

The Senator wants to end the amendment at that point, I take it, but we rather insist that the ensuing provisions of the amendment are very, very important, and particularly paragraph (b), on line 6, which reads as follows:

The funds authorized under this title, or under prior acts, shall be available for expenditure on projects approaching any toll road, bridge, or tunnel to a point where such project will have some use irrespective of its use for such toll road, bridge, or tunnel.

In other words, if it is an approach to the toll road, bridge, or tunnel, and has some other use—for example, if it turns off to the north or to the south—

then these funds should be available for such approaches, that is to say, other connections.

Subsection (c) I think is very important, too. It reads:

The funds authorized under this title, or under prior acts, shall be available for expenditure on projects approaching any toll road on the National System of Interstate Highways, even though the project has no use other than as an approach to such toll road: *Provided*, That agreement has been reached with the State prior to approval of any such project (1) that the section of toll road will become free to the public upon retirement of any bonds—

And so forth. I shall not read the rest of the language.

Mr. President, those are very important provisions for many of the States which have gone ahead, farsightedly and boldly, to meet the terrible traffic problem.

I think it would be difficult for me, as it is for my colleague from New York, to accept the modification which the Senator from Tennessee has suggested.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. BUSH. I yield.

Mr. CASE of South Dakota. What is the provision of the language which the Senator seeks to have adopted with respect to the status of a toll project after its recognition as a part of the National System of Interstate Highways? Would tolls continue to be charged?

Mr. BUSH. Yes, until the debt had been retired.

Mr. CASE of South Dakota. Does the language which the Senator is offering carry any provision for reimbursement to the toll authority or to the State for the portion of the toll road incorporated into the Interstate System?

Mr. BUSH. I do not think so.

Mr. CASE of South Dakota. What the Senator is seeking to do, then, is have designed, as a part of the Interstate System, a road which would operate as a feeder to the segment of the road or bridge where the toll might be collected. Is that correct?

Mr. BUSH. That is correct.

Mr. CASE of South Dakota. It would feed traffic into the toll operation.

Mr. BUSH. Yes.

Mr. CARLSON. Mr. President, will the Senator from Connecticut yield?

Mr. BUSH. I yield to the Senator from Kansas.

Mr. CARLSON. On the very point the Senator from South Dakota has raised about the funds being paid back to the States for the use of toll roads, I had submitted an amendment in which I covered that phase of the question. I had it at the desk. I did not call it up, but I should like to offer it for printing in the RECORD. I think it has much merit, because States have gone ahead and have invested in roads which will be a part of the Interstate System. We were advised in committee that the Federal Government would take the roads. No provision has been made for doing so. I asked officials of the Bureau of Public Roads if they intended to use toll roads as part of the Interstate System. I think some of the States are being treated unfairly. I hope the Senator

from Tennessee will give us some consideration.

Mr. President, I should like to present the amendment as a part of the debate, for the purpose of legislative history, and ask unanimous consent that it may be printed at this point in the RECORD as a part of my remarks.

There being no objection, Mr. CARLSON's amendment was ordered to be printed in the RECORD, as follows:

Notwithstanding any other provision of this act, or any other provision of law, the Secretary of Commerce is authorized, as provided herein, to enter into agreements on behalf of the United States, with any State or agency or instrumentality thereof for the payment to said State or an agency or instrumentality thereof over a period of years, not exceeding 13, of funds payable under this act on account of any project on the National System of Interstate Highways to assist such State or agency or instrumentality thereof in the financing of the immediate construction of a project on the National System of Interstate Highways.

The Secretary shall enter into an agreement with any State or agency or instrumentality thereof only if—

(a) such State or agency or instrumentality thereof is empowered to enter into an agreement with the Secretary under this section and otherwise comply with the provisions of this act;

(b) such State or agency or instrumentality thereof shall demonstrate to the satisfaction of the Secretary the desirability of immediate construction of the project on the National System of Interstate Highways to which the agreement relates; and

(c) in States where the agreement is to be entered into between the Secretary and an agency or instrumentality of such State, the governor shall have approved such an agreement.

An agreement pursuant to this section shall provide that the State, or the agency or instrumentality thereof entering into the same, shall proceed immediately with the construction of the project on the National System of Interstate Highways to which the agreement relates, and such project may be a toll project or a free project, as shall be determined by the State or the agency or instrumentality thereof entering into such agreement.

In the event the project covered by such agreement shall be a toll project, such agreement shall obligate the State or the agency or instrumentality thereof constructing the same to cause such project to become free to the public upon retirement of any bonds or other obligations issued to finance the cost of such project.

Such agreement shall provide for the payment to the State or the agency or instrumentality thereof constructing the project of no more than one-half of the cost of construction of the project covered thereby, as approved by the Secretary, excluding interest on any obligations issued by the State or such agency or instrumentality to finance its portion of the cost thereof and any financing charges relating to any such obligations so issued. Such payment shall be made in equal annual installments over such period of years, not exceeding 13, as shall be agreed upon by the Secretary and the State or agency or instrumentality thereof entering into such an agreement. No agreement entered into pursuant to this section shall provide for the payment thereunder to the State or agency or instrumentality thereof, if any one year, of funds in excess of 50 percent of the funds which such State will be entitled to under the apportionment of the Federal share payable on account of projects on the National System of Interstate Highways for the fiscal year ending June 30, 1957. Moneys paid to a State or

agency or instrumentality thereof under such an agreement shall be applied to the payment of actual construction costs of the project or the payment of the principal of obligations issued in connection with the financing of the cost of such project.

Such agreement shall also provide that the difference between the 50 percent or less of the project cost payable to the State or agency or instrumentality thereof entering into the same and the amount otherwise provided in this act as the Federal share payable on account of such project on the National System of Interstate Highways shall remain available to the State as additional Federal aid for the purposes specified in this act and shall be used for such purposes as may be agreed upon by the Secretary and the State; provided, however, such Federal aid may be used by the States without State matching requirements.

Such agreement shall also provide that the expenditure of funds contracted to be paid under such agreement shall be subject to all of the conditions, restrictions and limitations contained in this act with respect to the appropriation and apportionment of funds for the National System of Interstate Highways, except as otherwise in this section expressly provided.

The faith of the United States is solemnly pledged to the payment of all moneys contracted to be paid by the Secretary pursuant to this section, and there is hereby appropriated in each fiscal year, out of any money in the Highway Trust Fund not otherwise appropriated, the amounts necessary to provide for such payments.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator from Connecticut yield?

Mr. BUSH. I yield to the Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. I was going to ask the question whether or not the provision included bridges, but from a reading of it, I think it does. There are bridges between the Commonwealth of Pennsylvania and the State of New Jersey which are toll bridges.

I should like to make this statement in conjunction with what the distinguished Senator from Connecticut has said. It is already being worked out that Route No. 40, for example, from Baltimore, will go to Hancock. Then there will be a new interstate road built to the Pennsylvania Turnpike. Then the Pennsylvania Turnpike will be used to the Ohio line. I presume the route will continue on the Ohio Turnpike. Then the Indiana Turnpike will be used. Then the Illinois Turnpike will be used to Chicago. That is a part of the plan, as I understand.

The Senator from Maryland and I have been a little concerned about it. We felt that the interstate road probably should be Route 40 west, but we were informed by the Bureau of Roads and the highway departments of Maryland and Pennsylvania that an agreement of that kind has been entered into.

I merely wish to say to the Senator from Connecticut that is the plan.

Mr. LEHMAN. Mr. President, will the Senator from Connecticut yield to me?

Mr. BUSH. I yield to the Senator from New York.

Mr. LEHMAN. I think there is a great deal of misunderstanding about this matter. We are not asking for reimbursement, even though the State of

New York has built 557 miles of throughways and other thoroughfares. Of course, we feel that construction should be subject to reimbursement to the State.

Certainly it does not seem proper that we in New York State and those in other States which also build these throughways should be penalized as we are being penalized now. I have an amendment which would ask for reimbursement on that score. But as a compromise, I join the distinguished Senator from Connecticut in sponsoring this amendment, by which we are not requesting any reimbursement for the cost of the toll bridges or tunnels, although we believe we are entitled to that and to much more.

All we are requesting is that these tunnels and bridges be recognized as parts of the Interstate Highway System and, further, that expenditures on projects approaching any toll road, bridge, or tunnel be reimbursed. We shall not get any benefit from this amendment. We simply ask that when we build one of the circuitous approaches to a bridge—such as the approaches to the George Washington Bridge—at least we be reimbursed for that cost. But beyond that, we are not asking to be reimbursed for the cost of the George Washington Bridge or the cost of the tunnels under the Hudson River or the cost of the other projects which are for the benefit of the entire country and for the benefit of the Interstate Highway System which is to be authorized under the provisions of this bill.

Mr. GORE. Mr. President, will the Senator from Connecticut yield to me?

Mr. BUSH. I yield.

Mr. GORE. The Senator from New York understands, does he not, that 50-50 matching funds would now be available to his State, to build approaches to the Interstate Highway System facilities within his State? Is he now requesting that the Federal Government pay 90 percent of the cost of approaches to toll roads and bridges, or will he be content with the 50-50 matching?

Mr. LEHMAN. I think what the distinguished Senator is saying about the 50-50 matching is accurate, but I would not be satisfied with that. If we were requesting any reimbursement in the case of the cost of these tunnels, crossings, or bridges, that would be entirely different; and then, of course, I would be very willing to compromise on the basis of 50-50 matching. But in this case we are only asking that recognition be given to these bridges, tunnels, and crossings as parts of the Interstate Highway System—as they undoubtedly are—and that because they are parts of it, the cost of constructing the approaches leading to them be reimbursed to the States on the basis of the formula followed in connection with all other construction work in connection with the Interstate System of Highways.

Mr. BUSH. Mr. President, I congratulate the Senator from New York for that very clear statement. He says so wisely that he only wishes the expenditures for the construction of approaches which are to serve the Interstate Sys-

tem to be reimbursable. We want these sections to be eligible for reimbursement for the cost of construction of the approaches which feed traffic into the Interstate Highway System. That should be done, because such approaches must be constructed.

Mr. GORE. Mr. President, will the Senator from Connecticut yield to me?

Mr. BUSH. I yield.

Mr. GORE. The Senator knows that under the present system and under the provisions of the pending bill, his State or the State of New York or any other State can propose a program for the construction of State roads—primary, secondary, or urban. They can be interconnections; they can be new roads; they can be approaches. The State would be eligible to receive 50-50 matching on that basis. It may be that I am in error, but it seems that that is sufficient, unless these segments are on the Interstate System itself.

But when we go outside the Interstate System, and begin reimbursing on a 90-percent basis, then we are in trouble.

Mr. BUSH. The Senator states correctly that reimbursement for the cost of construction of the primary, secondary, and urban roads can be had on a 50-50 basis. But we are talking about the Interstate System, in which there is a 90-percent Federal interest.

Mr. GORE. No; the Senator from Connecticut is talking about approaches to it.

Mr. BUSH. That is right.

Mr. GORE. And not about the Interstate System.

Mr. BUSH. That is right.

Mr. GORE. That is why I say there must be a distinction.

Mr. BUSH. I remind the Senator from Tennessee that the House of Representatives approved this proposal by a vote of 388 to 19. That is a very important point. In this connection there will have to be a conference; and I think this amendment only requests fair treatment for the States which have been forehanded and have led the way in connection with the construction of toll roads, toll bridges, tunnels, and so forth, for the convenience of all the rest of the Nation. Almost all the people of the United States seem to use our highways.

Mr. CASE of South Dakota. Mr. President, will the Senator from Connecticut yield to me?

Mr. BUSH. I yield.

Mr. CASE of South Dakota. I should like to have the author of the amendment explain certain of the language of the amendment.

Mr. BUSH. To what part of the amendment does the Senator from South Dakota refer?

Mr. CASE of South Dakota. To page 2, in line 17, reading as follows:

SEC. 118. (a) The Secretary of Commerce is authorized to approve as part of the National System of Interstate Highways any toll road, bridge, or tunnel, now or hereafter constructed which meets the standards adopted for the improvement of projects located on such system, whenever such toll road, bridge, or tunnel forms a logical segment of such system—

What do the words "forms a logical segment of such system" mean?

Mr. BUSH. I take it that they mean exactly what they say, namely, if it fits logically into the Interstate System.

Mr. CASE of South Dakota. Does that mean a part of the designated system?

Mr. BUSH. Yes, if the Secretary of Commerce so designates it.

Mr. CASE of South Dakota. But 39,990 miles of the 40,000 miles authorized by the present law are already designated. Are the parts the Senator from Connecticut has in mind parts of the designated Interstate System; or is the Senator from Connecticut seeking to take advantage of the provision of the Senate committee's version of the bill which would authorize 2,500 additional miles, and to have a portion of the 2,500 miles applied to the tunnels, bridges, or approaches to them?

Mr. BUSH. No. The whole purpose of the amendment is to give the Secretary authority to approve—

Mr. CASE of South Dakota. My point is that if it is a part of the designated system, I do not think any language is needed. If it is not a part of the designated system, and if it requires some new designation, then some additional miles are needed.

Mr. BUSH. The amendment refers to toll roads, bridges, or tunnels now or hereafter constructed.

Mr. CASE of South Dakota. Does the amendment give the Secretary carte blanche authority to select a toll road not now a part of the system?

Mr. BUSH. "Whenever such toll road, bridge, or tunnel forms a logical segment of such system."

Mr. CASE of South Dakota. Then can the Secretary extend the system whenever he wishes?

Mr. BUSH. No.

The PRESIDING OFFICER. The time of the Senator from Connecticut has expired.

Mr. LEHMAN. Mr. President, will the Senator from Connecticut yield to me?

Mr. BUSH. My time has been exhausted, partly as a result of yielding to other Senators. Perhaps the Senator from Tennessee will give us a little time.

Mr. GORE. Mr. President, I yield 5 minutes to the Senator from Connecticut.

Mr. BUSH. I thank the Senator very much.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 5 minutes.

Mr. CASE of South Dakota. Mr. President, does the Senator from Connecticut understand my point? If it is now a part of the designated system, I do not think any additional language is needed. If it is not now a part of the designated system, then some mileage is needed.

Mr. BUSH. The Senator from South Dakota will find sections of road which are on the interstate route and are so designated, and either may not be up to the standards or may be up to the standards, in which event they can be designated by the Secretary—

Mr. CASE of South Dakota. As I understand, the designation is between control points. Specific highways which are numbered are not necessarily the

designated system, but the designation runs between certain control points.

Mr. BUSH. I do not see how the language could be any clearer, because it provides specifically what the Secretary is authorized to do.

Mr. CASE of South Dakota. I was wondering if, instead of the words "forms a logical segment of such system," the Senator would be satisfied to make it read: "whenever such toll road, bridge, or tunnel is a part of the designated Interstate System."

Mr. BUSH. I think that could be done. I would accept such a modification. Will the Senator repeat it?

Mr. CASE of South Dakota. Instead of the words "whenever such toll road, bridge, or tunnel forms a logical segment of such system," make it read: "whenever such toll road, bridge, or tunnel is a part of the designated Interstate System."

Mr. BUSH. I do not see very much difference, but if the Senator would feel happier, I would be glad to accept the modification in order to get the amendment to conference.

Mr. CASE of South Dakota. If it is designated, there is no reason why it should not be approved. If it must be designated, some additional mileage is needed.

Mr. BUSH. Without objection, I will accept the modification suggested by the Senator.

The PRESIDING OFFICER. Will the Senator from South Dakota send to the desk the modification accepted by the Senator from Connecticut?

Mr. LEHMAN. Mr. President—

Mr. BUSH. Mr. President, the Senator from New York wishes some time on his own account. I should like to yield the floor if the Senator from Tennessee will yield a little more time to the Senator from New York.

Mr. LEHMAN. I shall offer an amendment merely for the sake of gaining more time. After I have concluded speaking, I shall withdraw the amendment.

Mr. KNOWLAND. Mr. President, I yield 5 minutes to the Senator from New York from the time on the bill.

Mr. BUSH. I am sure the Senator from Tennessee realizes that we have been yielding time back and forth.

Mr. GORE. I fully intended to yield additional time to the distinguished Senator from New York, and will yield some additional time after he uses the 5 minutes so generously assigned to him by the senior Senator from California.

Mr. BUSH. I thank the Senator. I think that is very fair.

Mr. GORE. After the Senator from New York concludes, I should like to have about 2 minutes, if I may.

Mr. LEHMAN. Mr. President, I have no objection to accepting the slight modification suggested by the distinguished Senator from South Dakota, but that would not cure the situation, unless the chairman of the subcommittee were willing to accept section 118.

In order to sharpen the issue, I should like to make a very brief statement with regard to this amendment.

Mr. President, the purpose of the pending amendment to authorize the Secretary of Commerce to designate toll

roads, bridges, and tunnels as part of the Interstate System—is not to secure Federal aid for these toll structures but rather to make possible Federal aid for the construction of expressways, bypasses and feeder roads made necessary by the fact that these toll roads, bridges, and tunnels are, in fact, part of the Interstate System.

The problem arises from the fact that many States have constructed toll roads, bridges and tunnels on the Interstate System. They had to do this without waiting for Federal aid because the traffic problems had grown so great.

The pending amendment does not seek to have Federal aid extended for the construction of these toll structures—bridges, tunnels, and roads. That is another question which is quite beyond the purview of this amendment.

This amendment seeks only to make it possible for Federal aid to be extended for expressways through a city, for bypasses around a city, and for connecting links to other parts of the Interstate System where such bypasses, expressways, and connecting links originate or terminate in the toll bridge, toll tunnel, or toll road.

Such roads are necessary, Mr. President, because these toll structures are, in fact, part of the Interstate System. Most of the traffic going over or through these structures is not proceeding to the urban center, which is at the end of these toll roads, bridges, or tunnels. Most of this traffic is through traffic. It is brought to and over these structures because they are, in fact, on the Interstate System. In order to avoid adding intolerably to the congestion of the city in question it is necessary to build expressways or bypasses, or to provide a link from these toll structures to another part of the Interstate Highway System. It is for these links, bypasses, and expressways that Federal aid is justified and desired and that is why this amendment is necessary, in order to make it perfectly clear that these non-toll highways and expressways and bypasses which lead into or away from the toll bridges, tunnels, or highways may be eligible for Federal aid as parts of the primary Federal system.

There is a possibility that even without this amendment such an interpretation might be given to the law. But it is far from clear. Hence, this amendment is offered.

This problem arises in every urban center. Take New York City. Long before the Interstate System was ever thought of, New York City had built and was operating the Lincoln Tunnel, the Holland Tunnel, and the George Washington Bridge. New York City is an anchor point and nexus of the Interstate System as a glance at the map will show. Certainly, much of the traffic moving on the Interstate System will have to pass through these tunnels and bridges. Statistical studies show that the preponderance of traffic passing through these two tunnels and this bridge is not traffic bound for New York. It is traffic passing through the city.

To speed this traffic on its way on the Interstate System, New York State and

the New York Port Authority will have to construct urban bypasses and urban expressways. Needless to say, this will be one of the most expensive aspects of the total highway construction plan.

The same can be said for every other urban center in the country.

What the pending amendment would do, Mr. President, is make sure that this vital and expensive network of bypasses and expressways will be eligible for Federal aid.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. GORE. I yield 5 additional minutes to the Senator from New York.

Mr. LEHMAN. These roadways will not be primarily for the use of the city dwellers. They will not be toll roads. They will be free to anyone. But if it is not made clear that they are part of the Interstate System—as in logic they are—then Federal aid may be denied to one of the most important parts of this entire program.

It should be obvious why these bypasses and expressways are so important. The Interstate System—a system designed to create a nationwide grid of high-speed superhighways for defense and other national purposes would be a mockery indeed if it contained a bottleneck at every urban center.

The way to do this is to approve the pending amendment which will authorize the Secretary of Commerce to designate the toll structures, themselves, as parts of the Interstate System where such designation is justified by the facts.

At the present time, under old law, there is some question of whether these structures can be so designated, regardless of the justification.

Mr. CASE of South Dakota. Mr. President, I should like to report what I believe to be the language to which the Senator from Connecticut has agreed.

Mr. GORE. I yield for that purpose.

Mr. CASE of South Dakota. On page 2, line 22, it is proposed to strike out the words "forms a logical segment of" and insert in lieu thereof the words "fits into the designated route of."

Let me say, by way of interpretation of that language, that the purpose is to make sure that the language does not of itself create or authorize an extension of the system, but does authorize recognition as a part of the system, where the toll road, bridge, or tunnel is on a presently designated route.

Mr. LEHMAN. Mr. President, I have no objection.

Mr. BUSH. Mr. President, I join the Senator from New York in offering no objection.

The PRESIDING OFFICER. Will the Senator from South Dakota send the modification to the desk?

Mr. GORE. Mr. President, I yield myself 5 minutes.

The pending amendment raises two enormous problems. One is the question of reimbursement. We have had no study made of how much of the interstate fund the amendment might require. We have had no study reported to the committee and to Congress on which we could act.

There is contemplated not only reimbursement for toll roads and toll approaches, but also for free roads. The purpose of the bill before the Senate is to build roads. The bill before the Senate does not contemplate reimbursement.

Let us think for a moment where the amendment might lead. What is the difference between reimbursing a State which has built a road up to standards because we have initiated a greatly expanded interstate highway program, and, on the other hand, reimbursing a county which has built a hospital up to standards before the Hill-Burton hospital assistance program went into effect?

Soon, I hope, we will consider Federal aid for the construction of schools. While the committee had the pending bill under consideration, I received a letter from the superintendent of a county school in Tennessee. It read something like this:

DEAR ALBERT: I read in the newspaper that Congress is soon going to enact a Federal school construction program. My county last year issued bonds, and we constructed a large number of new school buildings in the county. If Congress is going to pass the bill, I want you to get an amendment attached to it to reimburse Sullivan County for the part to which it would be entitled if it had waited to build the school building until after Congress had passed that bill.

I ask, therefore, what is the difference? If we make reimbursements, we will set a precedent, and in time it will lead to great expense. In fact, the amendment offered by the two distinguished Senators might take away a large slice of the \$25 billion anticipated for the Interstate Highway System.

I say that Congress should not do that without a study first being made. We should not leap in the dark. We should have a study made and a report made before we act. I would agree to accept that part of the Senators' amendment, and I believe that is as far as I can go. I may be going farther than I should.

The second problem is this. If we agree to the amendment as it is offered, we permit certain States to increase the interstate mileage within their borders. What does that mean? It means that they will receive a 90 percent contribution on the construction of the approaches, as well as other features.

What is an approach? Can anyone tell me what is meant by an approach as that word is used in the amendment? How many miles constitutes an approach? Is it 30 miles of an interconnection which approaches from one side of a city and runs to the interstate highway on the other side?

I say that Congress should not act on so important a matter as this without first having more knowledge on the subject than we have available to us.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. LEHMAN. I merely wish to point out to the Senator from Tennessee that when he mentions reimbursement for a hospital which has already been built or for a schoolhouse which has already been built in Sullivan County, for example, that is not analogous to the situa-

tion we have before us now, although I believe very definitely that the State of New York and other States should be reimbursed for the work already done and the construction already carried forward on highways which are now a part of the Interstate System.

We are not pressing that in this amendment. There is nothing mentioned at all about paying for those roads, although I again wish to emphasize the fact that I believe reimbursement would be fair to the States. We are not asking for any reimbursement for the Holland Tunnel or for the Lincoln Tunnel. We are not asking 1 cent for that, although I believe it would be fair to do so, because those tunnels have been designated as a part of the Interstate Highway System. All we are asking for is reimbursement for the approaches and the connecting links.

Mr. GORE. Let me read from the amendment:

It is hereby declared to be the intent and policy of the Congress to equitably reimburse States for any portion of a highway which is on the National System of Interstate Highways, whether toll or free.

Mr. BUSH. Will the Senator yield at that point?

Mr. GORE. If the Senator from New York has completed his interrogation.

Mr. LEHMAN. I have, temporarily.

Mr. GORE. I yield.

Mr. BUSH. If we were to accept the Senator's modification—

Mr. GORE. I am not asking the Senator to accept it.

Mr. BUSH. The Senator has made a proposal.

Mr. GORE. Yes.

Mr. BUSH. If we were to accept it—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. I yield myself 5 additional minutes.

Mr. BUSH. If we were to accept the Senator's modification of section 117, would he be disposed to accept section 18, as modified by the Senator from South Dakota?

Mr. GORE. Would the Senator define the word "approaches"?

Mr. BUSH. I can give the Senator a definition of the word, but I do not know whether the Senator from Tennessee would accept it. Anything I might say in that respect might be subject to challenge. I do not know exactly how long an approach is. It might vary.

Mr. GORE. That is what I am afraid of. I am afraid that it might vary from 30 yards to 30 miles.

Mr. BUSH. I should not think it would go as high as 30 miles. It might vary from several yards to several hundred yards, or something of that nature. It would vary.

Mr. GORE. I do not wish to press the matter. I have yielded as much as I believe I should yield. I do not wish to be disagreeable, but if the Senators wish to vote on the amendment, I am ready to vote.

Mr. BUSH. If the Senator would be agreeable to taking the amendment to conference, I would be willing to limit the approaches to not over a half mile.

Mr. LEHMAN. I believe that would be a mistake. I do not know how long they would be.

Mr. THYE. Mr. President, I should like to propound a question. Will the Senator yield?

Mr. GORE. I yield.

Mr. THYE. Assuming that the National Highway System proposed in the bill crossed a State which uses an existing highway that has already been improved by the State but which consists of the normal width, with a center area for passing, but which does not meet the National Highway System requirement of two lanes, would a State get credit for that type of road which would be used in the National System? In other words, it would be possible to use the existing highway as one lane, and it would be necessary only to put down a second lane alongside of it to be used for either the right-hand lane or the left-hand lane. Under such circumstances, would a State be reimbursed for that one section of the highway?

Mr. GORE. There are no provisions in the Senate bill for reimbursement. The committee considered the matter, and overwhelmingly decided to omit it from the bill.

Mr. THYE. Then may I make this further inquiry? Does the Senator interpret the amendment which is being offered as giving a State the kind of credit I have described and reimbursing the State for the expense involved in the construction of that highway, such as it is?

The PRESIDING OFFICER. The time of the Senator has again expired.

Mr. GORE. I yield myself 1 additional minute. I have been trying to get an interpretation as to the length of an approach from the distinguished Senator from New York and the distinguished Senator from Connecticut.

Mr. THYE. The National Highway System proposes to use Highway 16 across Minnesota. It is a good highway. If the Senators in their amendment propose to reimburse us for the one lane I have described, I would support their amendment. Unless I have that assurance, I cannot support it.

Mr. LEHMAN and Mr. BUSH addressed the Chair.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. LEHMAN. Mr. President, I should like to have a little time.

Mr. GORE. Mr. President, I yield 5 minutes to the junior Senator from New York.

Mr. LEHMAN. Mr. President, the reason why I was unwilling to make the stipulation of half a mile is because of a fairly long experience in road building. When I first went to Albany the only roads we were building were 2-lane roads, with an occasional 3-lane road. We thought we were making great progress when we built a 3-lane road. Since that time, of course, the situation has changed rapidly and continuously, so that the old-fashioned roads which we considered a great achievement in my younger days in public life are now almost discarded. We are now building 8-lane roads, divided; we are building

them of a character which was previously completely unknown.

The culicues which are seen around bridges and tunnels—there are a great many in New York, and I am sure there are many in other cities—were entirely unknown 15 or 20 years ago. We are making progress in road building continuously.

So, Mr. President, I am not able in good faith and in good conscience to say that an approach should be limited to half a mile. That might be enough; 200 yards might be enough. But as time passes and as the needs grow and as the science of road building develops, we may find it is an entirely inadequate description of what is meant by an approach.

We are not asking in this amendment for reimbursement. Although I believe we would logically be entitled to it, we are not asking for it. All we are asking is that the approaches and tunnels which are now or will be a part of the Interstate System, or will be designated on the interstate map, may have the chance of having connecting roads and approaches built without expense to the people of the States.

Take, for example, the Holland Tube and the Lincoln Tube. They are on the interstate map. People come from the South, from the North, and from the West, and use those tunnels and go right through New York. They go to Pennsylvania or Ohio or much farther west. They do not remain in New York. Most of them travel on and use New York City and its tunnels as a thoroughfare, as an artery. Certainly, we cannot expect the State of New York or other States to pay—

Mr. PASTORE. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I yield.

Mr. PASTORE. The users of those tunnels pay a toll. Does the amendment provide that when the tunnels are paid for, the tolls cease?

Mr. LEHMAN. The tolls would cease as soon as the bonds are paid off.

Mr. PASTORE. In other words, passage through those tunnels would become free?

Mr. LEHMAN. When the bonds which have been issued against the tunnels have been paid off, so that there is no charge against the city of New York whatsoever, the tolls will cease entirely.

Mr. PASTORE. Will not the fee come to an end when the bonds are paid off, anyway, whether or not we pass this bill?

Mr. LEHMAN. I do not know.

Mr. PASTORE. I understand that the reason for paying a toll is to pay back the loan on the bonds. Once the bonds have been paid off, whether or not we pass this bill, the fee will come to an end. If an interstate toll road becomes a part of the Interstate Highway System some people will be paying for a part of the interstate highway, and will be paying taxes to the Federal Government to pay 90 percent of the cost of roads built in another part of the country which will be free.

Mr. LEHMAN. The Senator is entirely incorrect in his assumption.

Mr. PASTORE. I am not being critical; I am agreeing with the Senator from New York.

Mr. LEHMAN. But I am not asking for a cent of reimbursement.

Mr. PASTORE. I feel that there is a tremendous inequity in this bill. It means that people who use toll roads will also be paying taxes to the Government to build roads which will be free. The Merritt Highway is a toll highway. It costs 50 cents to go from Providence to New York City.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. Mr. President, I yield an additional 5 minutes to the Senator from New York.

Mr. PASTORE. Mr. President, will the Senator from New York yield further?

Mr. LEHMAN. I yield.

Mr. PASTORE. Unless the Merritt Highway becomes a part of the Interstate System, the people who are using that road will be paying 50 cents toll, and yet they will be paying taxes to support the building of another road in another State. I submit it is unfair. I think the whole problem should be restudied. There are too many problems to solve in deciding the question on the floor this evening, especially at this late hour. But whose money is going to be used to support this tremendous appropriation if people are still going to be compelled to continue to pay tolls and yet contribute 90 percent to building roads in another part of the country? I think it is unfair unless the tolls come to an end.

Mr. GORE. Does not the Senator from Rhode Island think a problem so complex as this should be acted on after the Congress and the committees of Congress have had the benefit of surveys, studies, and recommendations?

Mr. PASTORE. Yes; and I hope we will not simply sweep it under the rug.

Mr. GORE. But here the question would be preempted. The amendment provides that—

It is hereby declared to be the intent and policy of the Congress—

And so forth.

Mr. LEHMAN. Mr. President, we are perfectly willing to accept the suggestion of the distinguished Senator from Tennessee and strike out the language in section 117 from line 1 on page 1 to the end of line 2 on page 2.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. LEHMAN. Mr. President, I have had my say for the moment. I may wish to say a little more later on.

Mr. BUSH. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I yield.

Mr. BUSH. My understanding of the agreement is that the Senator from Tennessee would accept section 118?

Mr. LEHMAN. That is understood.

Mr. BUSH. As suggested by the Senator from South Dakota.

Mr. LEHMAN. Yes.

Mr. CASE of South Dakota. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I yield.

Mr. CASE of South Dakota. Mr. President, I have assumed that if tolls are to be collected, when they have produced revenue to retire the bonds and liquidate the cost of the toll section, no further tolls will be charged. If that is not clear, then I think section 118 should carry additional language which would read:

Provided further, That when the tolls collected are sufficient to retire the bonds or liquidate the costs of an interstate toll road, charges for its use shall cease.

Mr. BUSH. I do not think the Senator from New York would accept that suggestion. They are not going to forego tolls because the bonds are paid off.

Mr. LEHMAN. I am willing to accept the language of section 118. I am perfectly willing to stand on that.

The PRESIDING OFFICER. The Senator from Tennessee has 3 minutes remaining.

Mr. GORE. Mr. President, I yield myself one-half minute; then I shall yield the remainder of the time to the Senator from South Dakota.

We have now spent 57½ minutes on the amendment. It is apparent to all, it would appear to me, that it is very complicated. Even though we should completely reject the amendment here, it will still be in conference, because the amendment is in the House bill verbatim. I suggest that with the benefit of the discussions in the Senate tonight and the benefit of further consultation, the conferees can go to the conference better prepared than we have been heretofore.

I yield the remainder of my time to the Senator from South Dakota.

The PRESIDING OFFICER. The Senator from South Dakota is recognized for 2½ minutes.

Mr. CASE of South Dakota. Mr. President, it may be that the language from line 17 and following, on page 3, to which the Senator from New York has alluded, may answer the question I have raised. But it seemed to me that the distinguished Senator from Rhode Island raised the possibility that what might be money-making institutions could be created out of a toll road or a toll facility, whether a bridge or a tunnel, which would continue to yield profits for the toll authority, the State, the city, or whoever built the facility, profits which could be used for other purposes. It may be that the language at the bottom of page 3 will prevent that. I think that, if the bill goes to conference, the matter should be carefully considered, to make certain of it.

However, it certainly would be unfortunate if the country should be taxed, as the Senator from Rhode Island has pointed out, to create a sort of gate or funnel or attraction to feed traffic into the moneymaking facility, so to speak, in order to produce revenue for the particular unit of government which built the facility in the first place.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. PASTORE. There is a greater inequity than even that. As I understand, the purpose of the bill is to promote, more or less at public expense, a freer

movement of interstate traffic. For that reason, we are proposing to build interstate roads. There are certain parts of the system which have already been built which are toll roads. Anyone who traverses those sections has to pay toll.

I think it would be grossly unfair to continue to demand the payment of toll by people who are actually paying taxes to build the roads which are located in other parts of the country. I myself think that presents a very serious inequity which ought to be given consideration. I do not say that it can be corrected tonight.

The PRESIDING OFFICER. The time of the Senator from South Dakota has expired.

Mr. KNOWLAND. Mr. President, I yield to the Senator from South Dakota 1 minute on the bill.

Mr. CASE of South Dakota. It is said today that one of the most popular customs in merchandising is to offer a free coupon or gift or stamp in order to attract business. I simply hope that we do not make the Interstate System into a sort of gift stamp to be handed to travelers in orders to bring them into the "store" of the tunnel or bridge which charges a toll in order to make money for the operator of the toll gate.

Mr. KNOWLAND. Mr. President, I yield 3 minutes to the Senator from Kansas.

Mr. CARLSON. Mr. President, I desire to emphasize what the distinguished Senator from Rhode Island [Mr. PASTORE] has just expressed so forcefully this evening. For 2 days I have been trying to advise the Senate of a situation which I regard as most inequitable, and the Senator from Rhode Island certainly has placed his fingers on it.

In the Committee on Finance, under the able leadership of the Senator from Virginia [Mr. BYRD], we were told that 2,200 miles of toll road have been built as a part of the Interstate System. That means there will be 37,800 miles to build with the \$25 billion.

We were also advised that the agencies which built the toll roads expect to keep them as toll roads. In fact, it was suggested by someone before the committee that it was the purpose to funnel the traffic into the toll roads to make them very profitable roads.

I think that is an inequity. It is unjust, as the Senator from Rhode Island has said.

Let us take a specific case. A road has been completed as a toll road from Kansas City to Topeka to Wichita. One-half of the road in Kansas will be a part of the Interstate System. It has already been stated that it will be.

Persons who travel from Topeka, Kans., to Kansas City will pay a toll. They will be able to travel from Kansas City to St. Louis on a free road. They will not pay a toll to pay for the road from Kansas City to Topeka. They will pay taxes on gasoline and tires to travel on the road from Kansas City to St. Louis. I think that is unfair.

I understand the distinguished Senator from Tennessee is willing to take the amendment to conference. He made that statement. We cannot settle the question here tonight, but we ought to

say it is the intent of the Senate to correct such a situation as I have described. I think we ought to make that a matter of record.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. CARLSON. I yield.

Mr. ANDERSON. Does not the Senator think it would be extremely dangerous to tamper with the whole toll road situation as it has been set forth in section 118?

Mr. CARLSON. I am not for toll roads on the Interstate System. I think I have described the situation accurately. I sincerely hope the Senate will be willing to express at least the intent to remedy a situation which I maintain is most unfair.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. BUSH] for himself and the Senator from New York [Mr. LEHMAN] to the committee amendment.

The amendment to the amendment was rejected.

Mr. BUSH. Mr. President, I call up my amendment designated "5-28-56-O" and ask that it be read by title, and that the amendment be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, the amendment will be read by title, and will be printed at this point in the RECORD.

Mr. BUSH's amendment was, on page 35, beginning with line 11, to strike out all through line 20, on page 36, and insert in lieu thereof the following:

(b) It is hereby declared to be the policy and intent of the Congress that the funds authorized in subsection (a) of this section shall be distributed among the several States in such manner that each State will receive the amount required to pay the Federal share of the approved actual cost of completing the system in each State at an orderly and uniform rate of progress and with geometric standards uniformly applied in the several States.

(c) The additional sum herein authorized for the fiscal year ending June 30, 1957, and the sum authorized for the fiscal year ending June 30, 1958, shall be apportioned immediately upon enactment of this act. The sums herein authorized for the fiscal years 1957 and 1958 shall be apportioned among the several States in the following manner: One-half in the ratio which the population of each State bears to the total population of all the States, as shown by the latest available Federal census: *Provided*, That no State shall receive less than three-fourths of 1 percent of the money so apportioned; and one-half in the manner now provided by law for the apportionment of funds for the Federal-aid primary system: *Provided further*, That no State shall receive out of the apportionments for the fiscal years 1957 and 1958 combined more than 15 percent nor less than 10 percent of its estimate of total needs for the National System of Interstate Highways as shown in table I on pages 6 and 7 of House Document No. 120, 84th Congress.

(d) All sums authorized by this section to be appropriated for the fiscal years 1959 through 1969, inclusive, shall be apportioned among the several States in the ratio which the estimated cost of completing the National System of Interstate Highways in each State bears to the estimated total cost of completing the National System of Interstate Highways in all of the States. The estimated costs shall be those set forth in

the reports required to be filed by subsection (f) of this section and shall be those contained in the latest report so filed. Each apportionment herein authorized for the fiscal years 1959 through 1969, inclusive, shall be made on a date as far in advance of the beginning of the fiscal year for which authorized, as practicable, but in no case more than 18 months prior to the fiscal year for which authorized.

(e) The geometric standards to be adopted for the National System of Interstate Highways shall be those approved by the Secretary of Commerce in cooperation with the State highway departments. Such standards shall be adequate to accommodate the types of volumes of traffic forecast for the year 1975. The right-of-way width of the National System of Interstate Highways shall be adequate to permit construction of projects on the National System of Interstate Highways up to such standards. The Secretary of Commerce shall apply such standards uniformly throughout the States. Such standards shall be adopted by the Secretary of Commerce in cooperation with the State highway departments as soon as practicable after the enactment of this act.

(f) As soon as the standards provided for in subsection (e) have been adopted, the Secretary of Commerce shall request each State highway department to make and furnish to him before July 1, 1957, a further study of the National System of Interstate Highways within its boundaries and a detailed estimate of the cost of completing the same based upon such standards. Such study and estimate shall be made in accordance with such rules and regulations as may be adopted by the Secretary of Commerce and applied by him uniformly to all of the States. Upon approval of such estimate by the Secretary of Commerce, he shall, within 10 days subsequent to January 2, 1958, transmit to the Senate and the House of Representatives a report of such study and estimate. The Secretary of Commerce shall use such estimate in making apportionments for the fiscal years ending June 30, 1959, June 30, 1960, June 30, 1961, and June 30, 1962. The Secretary of Commerce shall cause a revised estimate to be made in the same manner as stated above and shall transmit the same to the Senate and the House of Representatives within 10 days subsequent to January 2, 1962, and shall use such revised estimate in making apportionments for the fiscal years ending June 30, 1963, June 30, 1964, June 30, 1965, and June 30, 1966. The Secretary of Commerce shall cause a revised estimate to be made in the same manner as stated above and shall transmit the same to the Senate and the House of Representatives within 10 days subsequent to January 2, 1966, and annually thereafter through and including January 2, 1968, and shall use such revised estimate in making apportionments for the fiscal year which begins next following the fiscal year in which such report is filed. Whenever the Secretary of Commerce, pursuant to this subsection, requests the State highway departments to furnish studies and estimates to him, such highway departments shall furnish copies of such studies and estimates at the same time to the Senate and the House of Representatives.

(g) The Federal share payable on account of any project on the National System of Interstate Highways provided for by funds made available under the provisions of this section shall be increased to 90 percent of the total cost thereof, plus a percentage of the remaining 10 percent of such cost in any State containing unappropriated and unreserved public lands and nontaxable Indian lands, individual and tribal, exceeding 5 percent of the total area of all lands therein, equal to the percentage that the area of such lands in such State is of its total area: *Provided*, That such Federal share payable on

any project in any State shall not exceed 95 percent of the total cost of such project.

(h) Any sums apportioned to any State under the provisions of this section shall be available for expenditure in that State for 2 years after the close of the fiscal year for which such sums are authorized: *Provided*, That such funds for any fiscal year shall be deemed to be expended if a sum equal to the total of the sums apportioned to the State specifically for the National System of Interstate Highways for such fiscal year and previous fiscal years is covered by formal agreements with the Secretary of Commerce for the construction, reconstruction, or improvement of specific projects under this section.

(i) Any amount apportioned to the States under the provisions of this section unexpended at the end of the period during which it is available for expenditure under the terms of subsection (h) of this section shall lapse: *Provided*, That any National System of Interstate Highways funds released by the payment of the final voucher or by the modification of the formal project agreement shall be credited to the National System of Interstate Highways funds previously apportioned to the State and be immediately available for expenditure.

On page 36, line 21, strike out "(d)" and insert in lieu thereof "(j)."

On page 37, line 22, strike out "(e)" and insert in lieu thereof "(k)."

Mr. BUSH. Mr. President, I understand the Senator from South Dakota desires to leave soon in order to catch an airplane. He has two minor amendments which he thinks may be accepted by the distinguished Senator from Tennessee.

I ask unanimous consent that, without losing my right to the floor, I may yield to him for the purpose of enabling him to call up his amendments.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Connecticut? The Chair hears none, and it is so ordered.

Mr. CASE of South Dakota. Mr. President, I call up my amendment designated "5-28-56-S" and ask that it be read.

The PRESIDING OFFICER. The amendment will be read for the information of the Senate.

The CHIEF CLERK. On page 48, line 15, it is proposed to strike out all of section 113 and insert in lieu thereof the following:

SEC. 113. The Secretary of Commerce shall study the designation of routes heretofore made for the National System of Interstate Highways and determine whether those routes as designated best serve the purposes of the system under present conditions and those likely to prevail in 1974 and shall make a report to the Congress not later than January 15, 1958, with his recommendations for allocation or reallocation of the mileage of the authorized system or any portions of it not designated: *Provided*, That no presently designated portion of the system shall be modified without the concurrence of the highway authority of the State or States concerned.

Mr. CASE of South Dakota. Mr. President, I yield myself 1 minute.

Section 113 of the bill at the present time is outdated. The reason is that at the time the so-called Gore bill passed the Senate last year, there were 2,800 undesignated miles in the Interstate System. Since that time the mileage has been designated for the purpose of eliminating bottlenecks in evacuation

routes. The mileage is to be used for the construction of urban roads. So the directive in section 113 at the present time has already been complied with. It ought to be stricken from the bill.

I thought it would be appropriate to have a report from the Secretary as to the use of any odds and ends of mileage which may remain undesignated.

Mr. GORE. I have conferred with the Senator from South Dakota on the amendment. I agree completely with what he has said. The provision in the bill related to the bill last year. It is now outdated. The provision which the Senator from South Dakota suggests is an improvement and will bring the bill up to date.

Mr. CASE of South Dakota. Mr. President, I yield back the remainder of my time.

Mr. GORE. I also yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment offered by the Senator from South Dakota [Mr. CASE] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. CASE of South Dakota. Mr. President, I call up my amendment which is at the desk. The amendment would insert a new section 118 following the so-called Chavez amendment. I ask that the amendment be read.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 49, after section 117 (the Chavez amendment), it is proposed to insert a new section as follows:

SEC. 118. In carrying out the duties of the foregoing section, the Secretary of Labor shall consult with the highway authority of the State in which a project on the Interstate System is to be performed. He shall make a predetermination of the minimum wages to be paid laborers and mechanics in accordance with the provisions of the foregoing section which shall be set out in each project advertisement for bids and each bid proposal form and shall be made a part of the contract covering the project.

Mr. CASE of South Dakota. Mr. President, this is the language which the Senator from New Mexico earlier sought to add to his amendment, by unanimous consent. It provides primarily for consultation between the Secretary of the Interior and the State highway departments where an interstate project is located; and, secondarily, that the determination of wages shall be made before the project is advertised for bids, so contractors will have definite information as to what they are bidding on.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. CASE of South Dakota. I yield.

Mr. CHAVEZ. The Senator from New Mexico thinks it is surplusage language, but we are willing to take it to conference. I am willing to accept the amendment.

The PRESIDING OFFICER (Mr. BIBLE in the chair). Does the Senator from South Dakota yield back the remainder of his time?

Mr. CASE of South Dakota. I do.

Mr. GORE. I yield back the time remaining to me.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from South Dakota [Mr. CASE] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. CASE of South Dakota. I wish to thank the distinguished Senator from Connecticut for his courtesy.

The PRESIDING OFFICER. The Chair now recognizes the Senator from Connecticut on his amendment, on page 35, beginning with line 11, to strike out all through line 20 on page 36, and insert in lieu thereof certain language.

Mr. BUSH. I hope the Senator from South Dakota will have a happy landing in South Dakota.

Mr. President, I shall try to contain my remarks within 10 minutes.

The PRESIDING OFFICER. The Senator from Connecticut yields himself 10 minutes.

Mr. BUSH. Mr. President, on the subject of this amendment, we had a long discussion yesterday, and again today, on the question of the allocation of funds. The Senate finally voted this afternoon on the Capehart amendment, which was to adopt the allocation or apportionment formula of the Fallon bill. That was defeated by the Senate.

I remind Senators that the House passed the bill, with the Fallon apportionment formula, by the enormous vote of 388 to 19.

I have talked with members of the House committee. I feel it only fair to say they are going to stand very firmly on the question of apportionment on the basis of need, as outlined in the Fallon bill.

We have before us the Gore bill formula, which is not based at all on the question of need, but on the old-fashioned formula, somewhat modified and streamlined for 1954, so to speak, based on population and mileage; but a formula which can never build a National System of Interstate Highways.

As has been pointed out repeatedly, that formula results in overallocating approximately \$4,800 million worth of funds, and underallocating approximately \$4,700 million worth of funds, or it misses the mark altogether by a total of those 2, which amounts to approximately \$9,600 million.

The result is that it fails to dispose of about 40 percent of the money which is involved in the estimates for the cost of the interstate highway system, namely, \$25 billion.

Of course, it is perfectly clear that we shall never have an Interstate System if the formula in the Senate bill prevails. I know it will not prevail, because the House will never take it, since the vote in the House was so overwhelming that it cannot prevail.

The purpose of my amendment is to present a compromise which will use the Gore formula for the period of the first two years, providing that no more than 15 percent, nor less than 10 percent of its estimated share, according to the

estimates in the table in the House bill, be allocated to any one State.

With regard to estimates, Mr. President, almost everything Congress does is based on estimates. Every appropriation bill which is passed is based on estimates. We cannot get away from the fact that we must have estimates on which to base such a program as is now proposed. The Gore formula itself purports to apportion \$25 billion on the basis of estimates, the same estimates which are used in the Fallon bill.

What will be the effect of my amendment? The effect of the amendment, so far as the Senate committee bill is concerned, will be that 13 States will gain by it and 20 States will lose some of the overage, which they will never be able to spend, anyway, and 15 States will not be affected, or will be affected only nominally by the change in the formula.

The net result will be that some 28 States will be as well or better off, and 20 States will lose somewhat, but will still have a guaranty that 100 percent of their part of the interstate highway system will be built in their States.

Respecting the comparison with the Fallon bill, which, of course, the House has approved by an overwhelming vote, the compromise would improve the status of 30 States vis-à-vis the House formula, as compared with 17 States losing vis-à-vis the House formula. Incidentally, my own State of Connecticut would be one of the losing States; it would lose some \$10 million in the 2-year period, vis-à-vis the House formula, if my own compromise should be approved. One State, the State of Oregon, would not be affected noticeably by the amendment.

So if Senators who continue to look at this proposition on the basis of how much money is to be allocated to the States, are willing to concede that the States will not be able to spend the overage, because it will go into the Treasury and stay there, I think they will agree this is a very fair basis for compromise. I have had conversation with members of the committee in the House. They might be willing to accept the compromise, but they never will accept the formula proposed by the Senate committee bill, because they are determined to have an Interstate System of highways started, and they know that under the Senate version, the roads will never be built.

Mr. President, that is all I have to say on my amendment. I strongly recommend to the Senate, the amendment and its formula for allocation, and I hope it will be favorably acted on.

The PRESIDING OFFICER. Does the Senator from Tennessee desire to speak in opposition to the amendment?

Mr. ANDERSON. Mr. President, as acting majority leader, I desire to yield back all time remaining to the opposition.

The PRESIDING OFFICER. Does the Senator from Connecticut desire to yield back the time remaining to him?

Mr. BUSH. If no Senator desires to speak on the amendment, I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the

Senator from Connecticut [Mr. BUSH] to the committee amendment on page 35, beginning with line 11.

The amendment to the amendment was rejected.

Mr. CURTIS. Mr. President, I have an amendment at the desk, which I ask to have stated.

The PRESIDING OFFICER. Has the amendment been printed?

Mr. CURTIS. No; it has not been printed.

The PRESIDING OFFICER. The amendment of the Senator from Nebraska to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 49, between lines 24 and 25, it is proposed to insert a new section, as follows:

SEC. 119. Funds authorized by this title to be appropriated, to the extent approved as necessary by the highway authority of any State, may be used for archeological and paleontological salvage in that State in compliance with the act entitled "An act for the preservation of American antiquities," approved June 8, 1906 (34 Stat. 225), and State laws where applicable.

The PRESIDING OFFICER. The Senator from Nebraska is recognized. How much time does he yield to himself?

Mr. CURTIS. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 1 minute.

Mr. CURTIS. Mr. President, when excavations are made in connection with construction of our Interstate Highway System, it is very important that the scientific and historical value of the fossils and other materials unearthed be preserved, and that the colleges, universities, museums, and scientists of the land have an opportunity to preserve these materials for all time to come.

This amendment will make that possible. It will not require any new funds, but will require only a very small portion of the money which will be spent anyway.

Mr. GORE. Mr. President, I yield myself 1 minute on this amendment to the committee amendment.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 1 minute.

Mr. GORE. Mr. President, as I understand the amendment, it is not identical with the similar amendment adopted by the House, but differs in sufficient detail to require a conference. I further understand that the amendment does not provide for the expenditure of any additional money.

Mr. CURTIS. That is correct.

Mr. GORE. Mr. President, I accept the amendment, and I yield back the remainder of the time available to me.

Mr. CURTIS. Mr. President, I yield back the remainder of the time available to me.

The PRESIDING OFFICER. All time remaining on the amendment to the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Nebraska to the committee amendment.

The amendment to the amendment was agreed to.

Mr. FULBRIGHT. Mr. President, I call up my statement identified as "5-15-56—A."

The PRESIDING OFFICER. The amendment of the Senator from Arkansas will be stated.

The LEGISLATIVE CLERK. On page 90—

The PRESIDING OFFICER. The Chair is advised that amendments to title II are not now in order, inasmuch as the Senate is still considering title I.

Mr. FULBRIGHT. Mr. President, in that case I call up an amendment to title I which I send to the desk.

The PRESIDING OFFICER. The amendment to the committee amendment will be stated.

The CHIEF CLERK. In the committee amendment on page 50, between lines 8 and 9, it is proposed to insert a new section, as follows:

SEC. 118. (a) All wage determinations made by the Secretary of Labor under the act of March 3, 1931, as amended, known as the Davis-Bacon Act (40 U. S. C., sec. 276a et seq.), which are applicable to highway construction contracts entered into under this title, shall, notwithstanding the provisions of section 4 of the Administrative Procedure Act, be subject to such act, and made on the record after opportunity for hearing. Review of any such wage determination, or the applicability of any such wage determination, may be had within 90 days after such determination is made in the manner provided in section 10 of the Administrative Procedure Act by any person adversely affected or aggrieved thereby, who shall be deemed to include any contractor or subcontractor engaged in the same type of construction operating in the locality to which such wage determination is applicable.

(b) Notwithstanding the inclusion of any stipulation required by any provision of said act of March 3, 1931, in any highway construction contract made subject to such act by this section, any interested person shall have the right of judicial review of any issue which might otherwise be raised.

(c) No appeal taken as herein provided shall in any way delay the advertising for bids or the awarding of contracts.

On page 50, line 9, strike out "118" and insert in lieu thereof "119."

On page 50, line 12, strike out "119" and insert in lieu thereof "120."

The PRESIDING OFFICER. The Senator from Arkansas is recognized on his amendment to the amendment. How much time does he yield to himself?

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 5 minutes.

Mr. FULBRIGHT. Mr. President, this amendment is very similar to one adopted by the Senate in regard to the Walsh-Healey Act. I had not intended to offer the amendment unless, of course—

Mr. BENDER. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. For what purpose does the Senator from Ohio request me to yield?

Mr. BENDER. I understand there is no objection on this side of the aisle to the amendment. I have three Memorial Day speeches to make tomorrow, and I am running against a part-time Democrat. I would appreciate it if the Sen-

ator from Arkansas would give us an opportunity to vote. [Laughter.]

The PRESIDING OFFICER. The Senator from Arkansas has been recognized.

Mr. FULBRIGHT. Mr. President, let me inquire whether the statement the Senator from Ohio has made means that he approves of a full-time Democrat, but that at the present time he is contesting with only a half-time Democrat? [Laughter.]

Mr. President, I shall not delay the Senate very long.

Adoption of the Chavez amendment of course makes it appropriate that this amendment be submitted. The amendment merely provides for an appeal from decisions had under the Chavez amendment.

Mr. President, I shall not take further time on this amendment. Of course, I wish to be recognized on my amendment to title II, which I thought would be appropriate for consideration at this time.

I yield back the remainder of the time available to me on this amendment.

The PRESIDING OFFICER. Does the Senator in charge of the time in opposition to the amendment yield back the time available to him?

Mr. GORE. I do.

The PRESIDING OFFICER. All time on the amendment has been either used or yielded back.

The question is on agreeing to the amendment of the Senator from Arkansas to the committee amendment. [Putting the question.]

The amendment to the amendment was agreed to.

Mr. LEHMAN. Mr. President, I call up my amendment identified as "5-28-56-G." Instead of having the amendment read, inasmuch as it has been printed and lies on the desks of Senators, I ask that the amendment be printed at this point in the RECORD, without reading.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). Is there objection? Without objection, the amendment to the committee amendment will be printed at this point in the RECORD. The amendment submitted by Mr. LEHMAN to the committee amendment is as follows:

On page 45, beginning with line 20, strike out down through line 4 on page 47 and insert in lieu thereof the following:

"SEC. 110. (a) Subject to the conditions contained in this section, whenever a State shall pay for the cost of relocation of utility facilities necessitated by the construction of a project on the Federal aid primary or secondary systems or on the National System of Interstate Highways, including extensions thereof within urban areas, Federal funds may be used to reimburse the State for such cost in the same proportion as Federal funds are expended on the project: *Provided*, That Federal funds shall not be apportioned to the States under this section when the payment to the utility violates the law of the State or violates a legal contract between the utility and the State.

"(b) For the purposes of this section, the term 'utility' shall include publicly, privately, and cooperatively owned utilities.

"(c) For the purposes of this section, the term 'cost of relocation' shall include the entire amount paid by such utility properly attributable to such relocation after deduct-

ing therefrom any increase in the value of the new facility and any salvage value derived from the old facility.

"(d) No more than 2 percent of any sum apportioned to any State for any fiscal year may be expended under the provisions of this section, and expenditures under this section from any such sum shall be made only with respect to utility relocations in connection with projects prosecuted by the use of such sum."

Mr. LEHMAN. Mr. President, I favor adoption of this amendment, which restores the House language on this point, because the House language simply codifies existing practice.

This is a so-called utility relocation amendment.

This amendment substitutes permissive terms for mandatory terms. Its effect is to authorize the Secretary of Commerce to reimburse States which make a practice of compensating their public utilities when they ask their public utilities to move equipment so that highway alterations and improvements may be made.

The House provision says, Mr. President, that Federal funds may be used to reimburse the States in the same proportion as that which applies to the project involved. In other words, if the payment made to the utilities by a State relates to the Interstate System, then the State may be reimbursed for 90 percent of that payment. If the payment relates to construction on other parts of the Federal aid system, the State may be reimbursed for 50 percent.

But, Mr. President, the main point of this amendment is that it will make the law permissive. It will say to the States, "Continue your existing practice with regard to public utility locations, and we will count this as a cost of construction, and reimburse you in the proper proportions."

The Senate provision does just the opposite. Instead of continuing the present practice it would substitute a new feature. Its effect would be to say that if a State does not compensate the utility the Federal Government will. The Senate provision makes compensation of the utility mandatory. Such mandatory compensation is unfair and unjustified in many States.

In New York State, by long-standing custom, public utilities place their telephone poles, pipelines, and wires on the public highway without any charge whatsoever. They get this right for nothing, with the distinct understanding that if it becomes necessary to move such facilities they will do so.

That agreement has existed for many years. The Senate committee provision would turn it into a bonanza for many utilities. They would get their gratuitous easements on New York State roads, and in addition receive compensation from the Federal Government.

The language of the Senate committee provision states flatly that this compensation shall be regarded as a right of the private utilities. They have no such right, and we should not give it to them now. In some States and under certain circumstances private utilities must pay for their rights-of-way. In some cases it may be fair to offer fair compensation. The effect of the lan-

guage for which I am arguing, which is merely permissive language, would be to make it possible to take care of such cases without creating unwarranted windfalls in other States, such as New York.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. HOLLAND. I commend the Senator in unmeasured terms for offering this amendment. The Senate version as it is now worded requires that, even though the State law prohibits reimbursement, and even though the original understanding was that the utility was on the right-of-way by sufferance and that the expense of moving was to be its own, nevertheless, the Federal Government, out of its generosity, is going to force a 50-percent payment of costs, and take that much away from the States which would otherwise have the money with which to build roads.

I support the distinguished Senator in the position he takes. I think it is sound States rights, and it is good business for our Government. I hope the Senate will adopt his amendment.

Mr. LEHMAN. I thank the Senator from Florida. He is absolutely correct in his analysis of the amendment.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. LANGER. I received a letter from the North Dakota Highway Commission. During all the years they have had an agreement with the public utilities whereby the utilities get the right-of-way along the highway for nothing. The agreement provides that at any time the facilities must be moved, they will be moved at the expense of the utilities. I strongly object to the requirement in the Senate version of the bill that the Government pay one-half the cost of moving the facilities. I hope the Senator will permit me to join him as a cosponsor of his amendment.

Mr. LEHMAN. I thank the Senator from North Dakota.

Mr. HOLLAND. Mr. President, will the Senator yield for one further observation?

Mr. LEHMAN. I yield.

Mr. HOLLAND. Under the present situation, if any property right is involved, the utility has the right to be paid in full, and such property right cannot be taken away from it, either by the Federal Government, the State, or any other public body without compensation. The provision in the bill as it now stands is a proposed gratuity out of Federal funds, notwithstanding the opposition of State laws; and eventually the gratuity would come out of the State's pocket, because it would cut down the contribution to the State for the building of highways.

Mr. LEHMAN. The Senator from Florida is eminently correct. In New York State, as far back as I can recall, we have given the public utilities the right to place their poles, wires, and other facilities on the State-owned right-of-way. Under the terms of the bill, as it now stands, the utilities would have to be reimbursed if they were asked to move. This provision represents a

raid on the Treasury of the United States, without doing any of the States any good, save in those instances in which the public utilities have paid for rights-of-way. Of course, the Senator from Florida is correct when he says that if any taking of property from the public utilities in involved, they will have to be reimbursed.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. LEHMAN. I yield.

Mr. DOUGLAS. I join the Senator from Florida and the Senator from North Dakota is commending the Senator from New York for offering this amendment.

As I understand, in virtually every State no charge is made to the utilities for locating telephone poles, electric poles, and so forth, on rights-of-way owned by the States or by the local governments. I think that is the situation in virtually all the States. Therefore, the utilities are already being given a very important privilege for which no charge is made.

If there are States or localities where, under State law, compensation is given to the utilities for relocation of the facilities, then under the provision passed by the House and proposed by the Senator from New York, compensation would still be paid; but the Senator from New York is closing the provision in the Senate version of the bill which requires the Federal Government to meet 50 percent of the cost, even though State law expressly forbids any payment whatsoever for relocation.

The Senator from Illinois had intended to offer an amendment to this effect. He is delighted that the Senator from New York has taken up the cause. The Senator from Illinois would esteem it a great privilege if he were permitted to join as a cosponsor of the amendment. I hope it may be adopted.

Mr. LEHMAN. I thank the Senator from Illinois very much, indeed.

Mr. President, I ask unanimous consent that the senior Senator from North Dakota and the senior Senator from Illinois be joined with me as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GORE. Mr. President, I yield myself 2 minutes.

The committee found this to be one of the most troublesome problems in connection with the bill. I acknowledge that at first I opposed providing any relief for the utilities. I suppose that in taking that position I was thinking of reimbursing a utility company, a telephone company, or an electrical utility company which had utility poles on the right-of-way under an agreement that it would move them when requested to do so.

What caused me to modify my own position, and I believe what led the committee to recommend the provision which is now before the Senate, was the plight of utilities such as water systems and sewer systems in small communities. When we begin a vast road-building program such as is envisioned in the pending bill, many local communi-

ties will face insurmountable problems. I have in mind a small community within my own State with which I am familiar. A six-lane drive went through the center of this little community. It destroyed a water system for which the little community had just bonded itself. It was unable to sell bonds to construct another water system. Similar situations were found time after time, in State after State.

In addition, it was found that some States reimburse the utilities for the cost of relocation, and some do not. The committee felt that there should be some reasonable uniformity—at least that some equity was involved. So what we have recommended and what is before the Senate is a provision that the utilities shall be entitled to 50 percent of the cost of moving after they deduct the value of the replacement, whether the State has a policy of paying by law or by custom or otherwise.

That is the feeling of the committee. That is my feeling. There is a limitation. The compensation may not exceed 2 percent of the cost of the project. So far as I am concerned, I do not feel too strongly about it. It may be that the committee erred in reaching that decision, but we reached it in good conscience, thinking we would respond to the equities and the needs of the situation, particularly in small communities. Whatever the Senate wishes to do with it, it is a subject for Senate action.

Mr. LEHMAN. I may say to the Senator from Tennessee that I believe he overlooks the fact that we are not preventing reimbursement in the bill. The House bill makes it permissive where it is necessary, but the Senate bill makes it mandatory. It looks to me like a raid on the Treasury of the United States.

Mr. GORE. I respectfully say to the Senator—

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. I yield myself 1 additional minute. The committee did not regard it as a raid. The committee did not intend to approve a raid on the Treasury. It is not reimbursement for money the utility has spent in locating on the highway. It is reimbursement for the expense of relocating after there is deducted therefrom the value of the improvements to the system as the result of the relocation. The committee may have erred, but at least if the Senate will approve the committee bill, there will be a difference, and the matter will be in conference as between the two bills, and we will do all we can to arrive at an equitable provision.

Mr. LEHMAN. I want to vote on the amendment, because I think it is an absolutely fair amendment. I do not want to deprive anyone of his rights.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GORE. I yield myself an additional minute.

Mr. LEHMAN. However, where a public utility company in New York, for example, or in any other State, has had to pay for the right-of-way, and is com-

pelled to move out of the right-of-way, it will be compensated. Where they have been permitted to place their facilities on State property with the understanding that they will remove the facilities without compensation, to compel payment under those circumstances, does not seem to me to be the right thing to do.

Mr. GORE. Were there involved only that which the Senator has referred to, I would find myself in agreement with him. The matter he suggests will be in conference, because it is largely a duplication of the provision of the House bill. It will be in conference anyway. If I should accept the amendment, it would more or less tie the hands of the committee, and we would not have any leeway to work out the equitable provision I hope we will be able to work out.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. ANDERSON. I wonder whether it would not be a good thing to tie the hands of the committee on this matter. It might be a good idea to tie their hands.

Mr. LEHMAN. It is such a clear-cut proposal—

The PRESIDING OFFICER. The time of the Senator from Tennessee has again expired.

Mr. LEHMAN. I ask for a vote.

SEVERAL SENATORS. Vote! Vote!

Mr. LEHMAN. Because of the lateness of the hour, I shall not ask for a yea and nay vote, but I do ask for a vote on the amendment.

Mr. GORE. I yield back the remainder of my time.

Mr. LEHMAN. I yield back the remainder of my time.

Mr. LANGER. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. LANGER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does any Senator yield time for that purpose? No time is yielded.

The question is on agreeing to the amendment offered by the Senator from New York [Mr. LEHMAN] to the Committee amendment. The amendment to the amendment is agreed to.

Mr. LEHMAN. Mr. President, I have two other amendments at the desk. If any Senator wishes to offer an amendment, I will not preempt his time.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Has the Chair announced the result of the vote on the amendment offered by the Senator from New York?

The PRESIDING OFFICER. The Chair announced that the amendment offered by the Senator from New York was agreed to.

Mr. KERR. Mr. President, I send to the desk my amendment "5-18-56-C," as I have modified it, and I ask the clerk to read it.

The PRESIDING OFFICER. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 36, beginning with line 21, it is proposed to

strike out all through line 21 on page 37 and insert in lieu thereof the following:

(d) No funds authorized to be appropriated for any fiscal year by this section shall be apportioned to any State within the boundaries of which the Interstate System may lawfully be used by vehicles with weight in excess of 18,000 pounds carried on any 1 axle, or with a tandem axle weight in excess of 32,000 pounds, with an overall gross weight in excess of 73,280 pounds, or with a width in excess of 96 inches, or the corresponding maximum weights or minimum width permitted for vehicles using the public highways of such State under laws or regulations established by appropriate State authority in effect on July 1, 1956, whichever is the greater. Any amount which is withheld from apportionment to any State pursuant to the foregoing provisions shall lapse: *Provided, however*, That nothing herein shall be construed to deny apportionment to any State allowing the operation within such State of any vehicles or combinations thereof that could lawfully be operated within such State on July 1, 1956.

Mr. KERR. Mr. President, I yield myself 5 minutes. I submitted the amendment to the distinguished Senator from Tennessee [Mr. GORE] in the form I had originally submitted it to the Senate. In a series of discussions with him, certain limiting factors have been added to it, in accordance with the copy which has been read by the clerk. The Senator from Tennessee has advised me that with these modifications he is willing to accept the amendment. If there are any questions, I shall be glad to answer them.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. KERR. I yield.

Mr. KNOWLAND. I do not have a copy of the modified amendment before me. I do not have the text of the amendment as it has been worked out by the Senator from Oklahoma with the Senator from Tennessee, who is handling the bill. As I understand, it is amendment "5-18-56-C," with additional language which has been agreed to between the Senator from Oklahoma and the Senator from Tennessee. The modification is on page 1, line 6, to strike out the words "or the maximum corresponding axle weight permitted for vehicles," and to insert in lieu thereof the words "with an overall gross weight in excess of 73,280 pounds, or with a width in excess of 96 inches, or the corresponding maximum weights or minimum width permitted for vehicles."

Mr. KERR. That is correct.

Mr. KNOWLAND. I should like to ask the Senator whether there would be any objection to taking to conference a modification providing for a limitation on height and length of vehicles. Some of the vehicles are becoming longer than boxcars and so high that they cannot go under the normal clearances in the highway system. I do not know whether that would be finally advisable, but it seems to me that if a height and length were added to the width and weight, the committee on conference would have the whole subject matter before it.

Mr. KERR. The language now in the amendment conforms in general to the recommendations of the American Association of State Highway Officials. It

conforms generally to the requirements of the Federal Bureau of Public Roads. In fact, the Bureau of Public Roads had approved the language of the amendment before the additional limitations were inserted in it.

On the basis of the table shown in the recommendations of the American Association of State Highway Officials, it is indicated that a truck with a gross weight of 73,280 pounds is approximately 57 feet long. The limitation with reference to axle and tandem just about fixes the specification of the length.

However, the reason why I did not include a specification for length and the reason why I do not believe the distinguished Senator from California would wish to insist upon it is that in some of the Western States licenses are issued for the addition of another trailer to a truck, where there are long stretches of open road and little congestion of traffic. The language of the amendment before the Senator from California would not prevent that being allowed by the regulatory bodies or authorities of the State, and at the same time the specifications which the Senator holds in his hand generally conform to the recommendations of the American Association of State Highway Officials.

Mr. KNOWLAND. I thank the Senator for his explanation.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield to the Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. In order that Senators may be better informed, will the distinguished Senator from Oklahoma explain the difference between what is provided in his amendment and what is in the House bill?

Mr. KERR. The House bill is identical with the amendment which I have offered, with the exception that alternative limitations have been added. No. 1, a gross total weight of 73,280 pounds. No. 2, a gross width of 96 inches. Otherwise, the limitation in the amendment as offered by me is identical with the language of the House bill.

Mr. MARTIN of Pennsylvania. May I ask what is the maximum weight provided in the House bill?

Mr. KERR. The House bill as written has as the limitation on the gross weight 18,000 pounds carried on any one axle, or with a tandem axle weight in excess of 32,000 pounds, or the maximum corresponding axle weight permitted for vehicles using the public highways of the State under laws or regulations established by appropriate State authority in effect on July 1, 1956, whichever is the greater.

Mr. SALTONSTALL. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. SALTONSTALL. As I read the amendment, the State laws in existence on July 1 or to be in existence on July 1 shall prevail.

Mr. KERR. Whichever is the greater. If under a State law or regulation established by the appropriate State authority, in effect on July 1, 1956, a vehicle

with specifications in excess of those prescribed in the amendment is operated, then the specifications of the State law or of the State regulatory authority will prevail.

Mr. SALTONSTALL. How does the weight of 73,280 pounds compare with that provided in the laws of the State of Massachusetts or of the State of Oklahoma?

Mr. KERR. In Oklahoma I believe the present gross weight is 64,000 pounds. I do not know from memory what it is in the State of Massachusetts, but if the State of Massachusetts at this time by law or by appropriate regulation permits a gross weight in excess of the amount stated in the amendment, the limitation of the State would be controlling.

Mr. SALTONSTALL. And the same would be true if it were less?

Mr. KERR. If the provision of the State is less, then the limiting factor is written in the law.

Mr. SALTONSTALL. I thank the Senator from Oklahoma.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. JOHNSTON of South Carolina. I should like to ask if this amendment is adopted how long and how high could a truck be?

Mr. KERR. As long or as high as is permitted by the laws or regulations of the State, provided it did not weigh in excess of 73,280 pounds. If the Senator will look at the amendment he will see that the tandem axle weight is limited to 32,000 pounds. With two tandem axles under the vehicle the weight would be 64,000 pounds. Then the weight of the truck itself or the part of the vehicle that furnishes the motive power under ordinary circumstances would bring the weight of the vehicle up to 73,280 pounds. So that for all practical purposes, under this amendment, the length would be limited either to 4 single axles or to 2 tandem axles, and if that of itself did not limit its length, then there would be only that limitation which is fixed by the Senator's State.

Mr. JOHNSTON of South Carolina. Would the State law prevail even though the pending bill should be enacted into law?

Mr. KERR. The amendment specifically provides that the gross weight and width shall not exceed the specifications in the amendment, unless maximum corresponding axle weight or length is permitted for vehicles using the public highways of the State under laws or regulations established by appropriate State authority in effect on July 1, 1956. The amendment is not exclusive in its application. It is one of the two alternate limitations which will be in effect.

Mr. JOHNSTON of South Carolina. Why does the Senator limit it in two details and not go into the other?

Mr. KERR. As explained to the Senator from California, to all intents and purposes, the length is limited, but in certain Western States, where there are long stretches of road and little interference with traffic of this kind, the State authorities now have in effect provisions which permit trucks to operate

which have an extra trailer on behind the regular transportation part of the vehicle.

It is not the purpose of the amendment to interfere with that. It is the thought in my mind and in the minds of those who agree that the limitations in this amendment will be adequate, because in those States where circumstances do not permit the longer vehicle, the State regulatory bodies have already established limits on the length of vehicles. This amendment does not interfere with that.

NO STATE LIMITS—THEN ANY FUTURE ACT MUST CONFORM TO FEDERAL LAW

Mr. MALONE. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield.

Mr. MALONE. I have listened carefully to the Senator's explanation. If there are no laws on the subject such as weight, length, or height, if a State has no such limitation, and this amendment becomes part of the law, if the State should pass any law on the subject later, it would have to conform to the Federal law? There is no limitation on weight, length, or height in my State of Nevada.

Mr. KERR. In my judgment, there is either a limitation or there is a regulatory authority that could establish one.

Mr. MALONE. The Senator means it could be done by Executive order before the date fixed?

Mr. KERR. Under law or regulation established by appropriate State authority.

Mr. MALONE. I do not believe that any agency in our State can exercise such authority, and our State legislature does not meet until 1957. I am not sure we have that authority.

Mr. KERR. In effect on July 1, 1956.

Mr. MALONE. But if there is to be no limitation until the date fixed in the Senator's amendment, then any limitation fixed by the State of Nevada or any other State after that date would have to conform to the Federal law.

Mr. KERR. The Senator is correct. But, in my judgment, the highway department in the Senator's State now has the regulations in effect.

Mr. MALONE. No; I am informed that it does not.

Mr. KERR. I feel certain in my own mind that it does, but I defer to the Senator's knowledge.

Mr. MALONE. I am informed that there are no limitations now in effect on weight, length or height.

Mr. KERR. Is the Senator of the opinion that the highway department of his State could not fix limitations?

Mr. MALONE. It is not usual for our State legislature to allow the highway department to make law. The highway department generally proposes the laws to the legislature which it desires and then conforms to the action of the law-making body.

Mr. KERR. In Oklahoma the highway department fixes the regulations controlling, either to carry out State law or under permissive provisions of State law.

Mr. MALONE. Nevada has no State law covering the weight, length or height specifications. It is my opinion that the highway department could

adopt regulations carrying out the State law, but could not make the law.

Mr. KERR. Under the language of the bill as passed by the House, the limitations would be, in effect, similar to those proposed in the amendment. Under the language of the bill as reported by the Senate Committee on Public Works, more stringent limitations would be in effect than those proposed in the amendment or than those in the provisions of the bill as passed by the House.

Mr. MALONE. Could not the Senator from Oklahoma amend his amendment to provide that a State which has no applicable legislation, and would not have a meeting of the legislature before the date fixed in the amendment, and in which a State agency is not allowed to make law, could pass such legislation at the next meeting of the legislature?

Mr. KERR. I am of the opinion that the highway department of the Senator's State could make such regulations tomorrow if it wanted to do so.

Mr. MALONE. I am not so informed.

Mr. KERR. If they could, then their regulations would be controlling.

Mr. MALONE. But I am not so informed. I think it could cause a very bad situation.

Mr. KERR. The Senator from New Mexico [Mr. ANDERSON] has handed me a table of information prepared by the Bureau of Public Roads under date of February 1956.

The table contains the State legal maximum limits of motor vehicle sizes and weights as compared with AASHO standards. AASHO is an abbreviation for American Association of State Highway Officials.

In the table I find that Nevada has at this time a maximum width of 96 inches, the same as is provided in the amendment.

The table shows no regulation for height in feet and inches, and there is none in the amendment.

Single unit: No regulation.

Axleload, pounds: 18,000, statutory limit, including a statutory enforcement tolerance of 18,900.

Tandem limitation: 32,000 pounds, which is identical with the amendment. That includes a statutory enforcement tolerance of 33,600 pounds.

Type of restriction: Applicable to any group of axles under 18 feet.

So there seem to be quite a few limitations on vehicles in the Senator's State. I do not think the amendment would conflict with any of them.

Mr. MALONE. Is there a limitation on weight or length?

Mr. KERR. There is no limitation on length in the bill.

Mr. MALONE. Is there a limitation on weight?

Mr. KERR. The table indicates that the limitation for a 5-axle vehicle would be 74,000 pounds; in other combinations, 76,800 pounds. The axle and tandem limitations are identical with those in the bill.

Apparently, by whatever authority in the Senator's State, the 5-axle vehicle could weigh 720 pounds more than the gross weight provided in the bill, and

any other vehicle could weigh 3,520 pounds more.

Mr. MALONE. Is there a limitation on the number of axles?

Mr. KERR. The limitations now in effect in the Senator's State, as disclosed by the table, are the same as would prevail under the amendment.

Mr. MALONE. Is there a limitation upon the number of axles? The Senator from Oklahoma has stated there is a limitation on weight for five axles. But is there any other limitation on the number of axles?

Mr. KERR. As I read the table, there is an overall limitation of 76,800 pounds.

Mr. MALONE. For five axles?

Mr. KERR. No. If the Senator will look at the table with me, he will see that it discloses that for five axles the limitation is 74,000 pounds, and that the limitation for other combinations is 76,800 pounds.

Mr. MALONE. I am informed that there is no limitation on the length, weight, or height. What is the real intent of the amendment, in the first place?

Mr. THYE. Mr. President, will the Senator speak louder, so that we may participate in the debate?

Mr. KERR. I am sure that the Senator from Minnesota is addressing himself to the Senator from Nevada, and the Senator from Nevada must answer for himself.

Mr. THYE. The colloquy may cover the question I have in mind.

Mr. KERR. The Senator from Nevada now sees, I believe, that his State does have limitations in every respect in which the amendment would place limitations; and having them, and once they are in effect in his State, the law or the regulation of the regulatory authority would prevail.

The Senator from Nevada has asked the Senator from Oklahoma why the limitations are in the bill. I shall try to answer that question.

The Bureau of Public Roads and the American Association of State Highway Officials have published findings and reports indicating that roads of certain specifications are capable of standing up under operations by vehicles of certain specifications.

At this time there are 48 sets of regulations and limitations in effect throughout the Nation. All of them apply to any part of the Interstate System within those States. Under the bill it is contemplated that the Federal Government will spend, I believe, \$25 billion in the next 13 years, and that the States will spend \$2,500,000,000, or a little more—or approximately that—in completing 40,000 miles of interstate highways.

It is the conviction of the committee and of the Senator from Oklahoma, and certainly it must have been the conviction of the membership of the House, that these highways will be built to bear certain loads, carry certain weights, and render certain services. They will not, however, be built to endure under conditions not now in contemplation.

In preparing the amendment, I recognized that where a State already has its regulations, its laws, and its limitations, it is not the purpose of Congress

to change them or to violate them. However, on the basis of the best information available to us, and on the basis of consultation with the representatives of the American Trucking Association, and also on the basis of the best estimate we can make, the limitations in the amendment will protect those roads.

That is my answer to the Senator's question.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. KERR. Let me finish answering the question of the Senator from Nevada, then I will yield to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota has about 5 minutes remaining. The Chair suggests that the time be divided.

Mr. KERR. Very well.

Mr. MALONE. The Senator from Oklahoma has been very fair in the committee, as he has been in his explanations. I notice from the table that neither height, weight, nor length is restricted in Nevada.

Mr. KERR. And it is not restricted in the bill.

Mr. MALONE. I notice that a single truck or bus is not restricted in length. I notice that the other combinations and the number of towed units are not restricted. The number of trailer units is not restricted. Semitrailers and full trailers are not restricted. My point in the first place was that if it became necessary to pass legislation covering areas not now included in regulations, then such law must conform to the Federal law—and it would be more restrictive than the surrounding States.

Mr. KERR. But I call the Senator's attention to the fact that every such unit is subject to the regulations and limitations of the State, which are either identical with those in the amendment or which will still be in effect after the passage of the provisions of the amendment, if it is agreed to.

Mr. MALONE. But I do not see the reason for the amendment, when the provision is already in the House bill, and covered generally by the Gore provision. The bill will go to conference. Then the conference committee will have complete information as to the States which have no rules or regulations or no law affecting certain areas, which will not have an opportunity to pass a law between now and July 1, or whatever date the amendment would go into effect. Therefore, I do not see the reason for the amendment.

Mr. KERR. I regret that the Senator takes that view, but again I say I do not believe his State will be injured by the amendment.

Mr. THYE. Mr. President, will the Senator from Oklahoma yield?

Mr. KERR. I yield to the Senator from Minnesota.

Mr. THYE. Does the amendment impose any restrictions on width over those which may exist in State laws?

Mr. KERR. If the present State law or regulation of an appropriate authority permits a greater width than 8 feet, then

the width fixed by the State will prevail. Does that answer the Senator's question?

Mr. THYE. That does not clarify the matter.

Mr. KERR. Let me say it again. The Senator from Minnesota asked the Senator from Oklahoma whether, if the State permitted a greater width, the amendment would limit the operation of the State regulation.

I say to the Senator from Minnesota if the law or regulation in his State in effect on July 1 gives permission for a greater width, then the width permitted by the State will prevail. Does that answer the question?

Mr. THYE. My question was in the reverse, but the Senator has answered it in two ways, so my interpretation of the Senator's reply is that his amendment does not impose any restriction on a trucker operating in a State if the State permits his operation.

Mr. KERR. If the State permits a trucker to operate with greater specifications than are provided in the amendment, those in effect in the State will prevail.

Mr. KNOWLAND. Will the Senator yield?

Mr. KERR. I was about to yield to the Senator from South Carolina.

Mr. KNOWLAND. I merely wished to make clear the Senator's statement. In reverse English, what would happen if a State provides for a lesser width?

Mr. KERR. If a State law provides for a lesser width, naturally, the State law would have to be abided by. The amendment does not violate the integrity of a State which has limitations more exacting than those provided in the bill. It only provides, insofar as the bill and its effect are concerned, that the greater latitude of the two will be permitted by the provisions of the bill.

Mr. THYE. Greater, but not to exceed State laws in existence. Is that correct?

Mr. KERR. I call to the Senator's attention that if his own State passed a law with a stricter limitation than that provided in the amendment, the State law would prevail.

Mr. THYE. I should like to ask one further question. The intent of the amendment of the Senator is primarily that, in the absence of State regulation, a longer truck unit will be permitted to be in operation on the Federal highways. Is that correct?

Mr. KERR. I do not know how the Senator from Minnesota can say that, in the absence of a State regulation, my amendment would permit a longer truck unit to operate. In the absence of a State regulation, the bill would permit truck units of certain specifications. I would not say that it could be said it would be longer than something which did not exist.

Mr. THYE. But the Senator did state that in the Midwest, where there are wide-open highways, it would be permissible—

Mr. KERR. I said in many States there are specifications not so exacting as the specifications in the amendment, and therefore these specifications would not interfere with them.

Mr. THYE. What I am endeavoring to ascertain is what is intended by the amendment of the Senator from Oklahoma.

Mr. KERR. The amendment speaks for itself, I say to my good friend from Minnesota, and in my humble, stumbling, bumbling way, I have tried to explain it.

Mr. THYE. I am in favor of the amendment, but I do not want to have a solicitor put an interpretation on it which may be contrary to what I think is in the amendment now, and what I think the Senator from Oklahoma is endeavoring to do by his amendment.

The PRESIDING OFFICER. The time of the Senator from Oklahoma has expired.

Mr. GORE. Mr. President, I yield 2 minutes to the Senator from Oklahoma.

Mr. KERR. I yield 1 minute to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Mr. President, the Senator has stated that in the West there are longer trucks than there are in some other sections of the United States, and that was one of the reasons for the amendment. Is that correct?

Mr. KERR. Yes.

Mr. JOHNSTON of South Carolina. When the national highways become interstate highways, is it not true that, if longer trucks are permitted in certain States, there will be a movement in adjoining States to have longer trucks operate in those States, and if the amendment is adopted, it will mean that we shall have longer trucks on the highways?

Mr. KERR. I do not think so, because that situation exists now. Trucks operate in the States now, and neighboring States have different regulations, but they live side by side in peace, without conflict. I may say the differences of opinion in this regard are less in conflict than are any other ones I know of.

Mr. GORE. Mr. President, I yield myself 5 minutes.

For the first time the Congress of the United States is asked to attach as a condition to Federal highway funds a requirement that certain limitations with respect to motor vehicles be observed.

I wish to speak for a moment about the history of the proposal and the language in the Senate bill. I offered the amendment in the Senate Public Works Committee. The amendment in the Senate bill now would require States to comply with provision for greater widths in the State laws as of July 1, 1956, or the maximums prescribed in what is called the AASHO code. The AASHO code is a compilation of the recommendations of the American Association of State Highway Officials, which was concurred in by the Bureau of Roads. I hold the pamphlet in my hand. It can be found in the House document. I do not have the number of it now, but I hold in my hand the pamphlet. It is quite an extensive set of statistics. The Senate committee bill refers to this Government pamphlet. This would be the maximum permitted in interstate traffic unless—to come to the question of the distinguished Senator

from Minnesota—any State had a maximum in excess of this.

Mr. SALTONSTALL. Or less.

Mr. GORE. The distinguished Senator from Massachusetts has said "or less." If the State limitations were less, the provision would have no effect within that State. The State law would remain in effect.

I may point out to the Senate that this will not be a law with respect to requirements. It is an attachment to Federal funds; a condition to Federal funds.

If the State of Massachusetts had an axle weight limitation of 16,000 pounds, it could raise that axle weight limitation to 18,000 pounds, under either the Senate committee bill or the amendment of the senior Senator from Oklahoma.

If the State of Massachusetts had an axle weight limitation of 22,000 pounds, which I think is actually the case, then it would not be required to reduce it to 18,000 pounds.

The committee felt that with the vast investment the people are to make in this magnificent Interstate System of highways, somewhere, somehow, we should call a halt to the ever-increasing weights, to the ever-increasing widths, to the ever-increasing lengths of vehicles traveling the highways.

Therefore, the Senate committee approved by unanimous vote inclusion of the AASHO code for maximums, provided the States themselves do not have maximums in excess, in which event they would be permitted to participate in the 90 percent funds without reducing to these maximums.

Now let us come to the amendment of the Senator from Oklahoma [Mr. KERR] to the committee amendment. The Senator from Oklahoma pointed out that there was no uniformity in width, and the record shows that that is so. But I did not think the provisions voted by the House were sufficient. The Senator from Oklahoma originally submitted his amendment to have it comply exactly with the provision voted by the House, which applies only to axle weights—18,000 pounds in the case of a single axle and 32,000 pounds in the case of tandem axles.

According to the testimony before the Senate committee, the most important factor, and the one causing the greatest damage to the highways, is the axle weight. The width causes great hazards in traffic. I insisted that we provide a limitation on width. It happens that there is more uniformity as regards width than as regards any other dimension or specification. At the present time, 46 States have a maximum width of 8 feet, and 2 States have a maximum width in excess of that. The amendment of the Senator from Oklahoma to this committee amendment provides a maximum width of 8 feet for 46 States, and allows the maximum of the 2 States in excess of that to remain.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. GORE. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 5 additional minutes.

Mr. THYE. Mr. President, will the Senator from Tennessee yield at this point for a question?

Mr. GORE. I yield.

Mr. THYE. Does the Senator from Tennessee know, or from any of the records of the committee has he learned, that there will be a hazard if those two States are allowed to continue to permit a width in excess of that permitted by the other States of the Union?

Mr. GORE. The committee very carefully considered whether the States which now have limits in excess of those provided in the AASHO code should be allowed to continue their limits, or whether we would recommend that those States be required to roll back their limits, so as to conform with those required by the other States and required by the AASHO code. We may have erred, but the committee decided by unanimous vote not to force a State to roll back its limits, but to permit a State's present limits to stand.

Mr. THYE. The Senator from Tennessee recognized, did he, the sovereign right of a State to make decisions relative to its own regulations?

Mr. GORE. That is correct.

Mr. THYE. And the committee did not vote to disturb those regulations?

Mr. GORE. That is correct.

Mr. THYE. I thank the Senator from Tennessee.

Mr. GORE. Also, in the case of States with limits below those of the AASHO code, we did not attempt to say that they could not bring their limits up to the maximums recommended in the AASHO code.

Mr. BRIDGES. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. BRIDGES. Will the Senator from Tennessee inform the Senate how in his judgment he interprets the Kerr amendment?

Mr. GORE. I shall be glad to do so.

(At this point Mr. GORE yielded to Mr. MAGNUSON, who discussed an amendment of his applying to title II of the bill. By unanimous consent, the debate which ensued was ordered to be printed in the RECORD in connection with the debate on title II.)

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. GORE. I shall be glad to yield. Before yielding to the distinguished senior Senator from New Hampshire, let me make a brief statement with respect to the contents of the House bill, the Senate committee amendment, and the Kerr amendment.

The House bill contains a limitation only on per-axle weights. The Senate committee version contains limitations on weights, height, length, and width. The Kerr amendment provides for limitations on axle weights, overall loads, and widths.

Mr. BRIDGES. Various questions have been asked of the distinguished Senator from Oklahoma. The Senator from Tennessee is the author of the so-called Gore amendment. How does he think the amendment of the Senator from Oklahoma, if it were adopted, would affect the bill from a practical standpoint?

Mr. GORE. I shall be glad to reply. As I see it, the most important thing to protect the investment of the people in the roads, that is, to keep the roadbeds and surfaces from being crushed by excess weight, is the control of the axle weights. The most important thing in preserving bridge structures is control of overall weights. The most important thing in preserving safety of traffic is control of the width of the vehicles.

The Kerr amendment applies to all three. What it does not involve is the overall length, except indirectly. But when there is a limitation on both the per-axle weight and overall weight, practically speaking, there is a limitation on the vehicle, unless there is an additional unit drawn behind. I hope my State will never permit it. I hope no other State which does not now permit it will in the future permit additional units to be drawn behind a tractor.

Coming back to my reply to the distinguished senior Senator from Minnesota, the committee has not recommended that we undertake to force any State to roll back its laws or abolish any of its present regulations.

The Kerr amendment does not apply to height. I do not think that is so important. If an additional foot is added to the top of a moving van, it may be dragged off when it goes under a railroad underpass somewhere. But additional height does not seem to add additional weight, so it is not important if there is a limitation on weight.

One part of our highway transportation industry which needs additional height is the automobile trailer. It needs 13½ feet. The limit in most States is now 12½ feet. Several of the States are in the process of moving up to 13½ feet. That subject is not covered in the Kerr amendment. I think the most important things are dealt with in the Kerr amendment.

Mr. BRIDGES. Is the practical effect of the Kerr amendment to allow larger trucks?

Mr. GORE. No. If the Kerr amendment were written into law, it would for the first time attach a condition upon Federal highway funds that States could not exceed certain limits and still participate in such funds. In no way would it allow larger trucks. It would not allow larger trucks than the recommendations of the State highway officials and the Bureau of Public Roads. It would permit States whose limits now are below that level to come up to it and still participate. Does that answer the Senator's question?

Mr. BRIDGES. Yes. Let me ask one further question, if I may. In the Senate committee language reference is made to a specific document published by the American Association of State Highway Officials. As I understand, that is not true of the Kerr amendment. Is that correct?

Mr. GORE. The difference between the two is that the Senate committee provision refers to the AASHO code, and says, "These are the limits beyond which the States cannot go—unless they have already gone beyond that point—and receive interstate highway funds. If they have gone beyond that point, they can-

not go any further and still receive the 90-percent funds."

The Kerr amendment, instead of referring to this particular document, to which people would have to refer to ascertain what the law was, actually spells out a limit of 18,000 pounds for a single axle, 32,000 pounds for tandem axle, a 73,000-pound overall load, and a width of 8 feet. It is just that simple. Those are the same figures, incidentally, as are found in the AASHO Code. What is omitted is a limitation on length, which is indirectly dealt with, but only indirectly. What is not dealt with at all in the Kerr amendment is height.

Mr. BRIDGES. In other words, the Senator is telling the Senate that the language referring to this subject in the bill as reported, and the subject matter of the Kerr amendment, are one and the same.

Mr. GORE. Not one and the same. They are one and the same to the extent to which the Kerr amendment goes; but the provision in the Senate committee version, as reported, goes further and includes height, and certain length limitations.

Mr. BRIDGES. Assume that the Kerr amendment is approved. What will be the latitude in conference? Does the Senator think the conferees could agree upon a satisfactory provision? Would they have sufficient latitude?

Mr. GORE. The House language contains only one thing, and that is per-axle limitations. The Kerr amendment would add to it total weight and width limitations. I think that would be the latitude of the conference.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. MORSE. The Senator from New Hampshire has asked a question about which I wish to inquire.

If we were to accept the Senate committee provision, or the so-called Gore amendment on this subject, would not that put us into conference on every possible suggestion or modification of the subject matter which the conferees might wish to consider? Because of the difference between the Gore amendment and the House language, the entire question of width, height, weight, and length would be in conference, anyway, would it not?

Mr. GORE. That is true.

Mr. MORSE. Later I shall ask permission to have inserted in the RECORD communications which I have received from representative organizations in my State urging that I support the Gore amendment, with regard to which I have responded favorably. I do not wish to place myself in the position tonight of having responded favorably to the Gore amendment and then voting for another amendment, when by adopting the Gore amendment we can go to conference on every phase of the subject, anyway.

In view of the Senator's answer to the questions of the Senator from New Hampshire [Mr. BRIDGES], it seems to me that the adoption of the Senator's amendment will accomplish any desire anyone might have for a full discussion of all facets of the subject in conference. Therefore, I am inclined to stand with

the Gore amendment and put the whole matter in conference. I certainly believe that the conference committee can consider the entire question.

I ask unanimous consent to have printed in the RECORD at this point the communications to which I have referred.

Mr. THYE. Mr. President—
Mr. MORSE. Mr. President, may I have a ruling on my unanimous-consent request?

The PRESIDING OFFICER. Is there objection?

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., May 21, 1956.

HON. WAYNE MORSE,
United States Senate:

Very vital you maintain militant stand on Gore original provisions and sizes and weights of trucks in the Federal highway bill. This is of utmost importance to the Railroad Brotherhood.

REMI E. ZERTANNA,
Chairman, State Legislative Committee of Oregon Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express, and Station Employees.

BROTHERHOOD OF LOCOMOTIVE ENGINEERS, UNION PACIFIC RAILROAD,
OREGON DIVISION,
March 23, 1956.

HON. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: In trying to fit together all of the available information in connection with the Federal road program and the two bills which appear to bear directly on that subject (H. R. 8836 and H. R. 9075), two items stand out above all the biased statements issued by the supporters and opponents.

It would seem that H. R. 9075 stands to be voted upon in a form that will stick the private motorist with the same straight increase in fuel and rubber tax per gallon and per pound that commercial haulers will pay. Understand the only difference in the figures as between the two classes of transportation is a proposed Federal registration fee of \$1.50 per 1,000 pounds on the commercial vehicles above 26,000 pounds.

Understand there is a section in 8836 which has for its purpose limiting truck size and weight to that fixed by the individual States as of March 1, 1956 in all cases where Federal financial aid is to be made available.

At this time of year one is inclined to be painfully conscious of tax matters and, as a private motorist as well as a railroad employee, it is not pleasant to contemplate financing a program which would contribute so much to commercial highway haulers without some definite assurance in the bill that limits are enforced which will guarantee that the roads are going to last until they are paid for. I am inclined to doubt that the trucking industry would be throttled or put out of business by the present weight-length restrictions and feel that they have gotten a terrific bargain to date.

Sincerely,

A. F. ZIMMERMAN,
General Chairman.

RAILROAD BROTHERHOODS
LEGISLATIVE LEAGUE OF OREGON,
Salem, Oreg., May 1, 1956.

HON. WAYNE MORSE,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: On February 13, 1956, we expressed our views on the matter of

financing a Federal highway construction program. That view was in accordance with the views of a vast majority of the people of the State of Oregon. Time has shown that the imposition of user charges based on the amount of use obtained is a fair and equitable means of financing highways.

Equally as important as enacting legislation which will provide for a fair means of paying for highways is the matter of insuring their preservation after construction. The provisions of the Gore bill concerning size and weight limitations would appear to offer this assurance. Weight limitation is, of course, essential. Size limitations would appear to be almost mandatory as an aid to those officials required to police the highways.

We believe that conscientious thought on this matter will give us the kind of highways we urgently need, as well as adequate assurance of their continued preservation upon completion.

With best wishes and kindest personal regards,

Respectfully,

W. C. HEFNER,
Chairman.

RAILROAD BROTHERHOODS
LEGISLATIVE LEAGUE OF OREGON,
Salem, Oreg., May 17, 1956.

HON. WAYNE MORSE,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: Referring to our previous correspondence with regard to the Federal highway legislation, we are now informed that the truck people intend to concentrate upon the Senate and the House to throw out the size and weights protection as was incorporated in the Gore bill.

It seems to us that this is the most important feature of the legislation. It no doubt has come to your attention that the State of Oregon is trying to protect the present size and weights limitations and that not long ago some State officials came across a truck somewhere in eastern Oregon with a 33,000-pound overload. The truck had mired down in the center of the pavement. This occurrence has received wide publicity. Then, again, one loaded truck damaged the highways between Portland and eastern Oregon by carrying an excessive overload. A few years ago another big truck and trailer apparently had slipped across the Longview Bridge and stopped on Highway 99 West in Yamhill County after it, too, had damaged the highways.

If this Nation is to spend the private automobile owners' tax money to build super freeway highways, then we are entitled to protection. The large truck companies use the highways for a profit and should pay their share for their construction and should not operate vehicles with such heavy loads that they destroy the highways. The big truck concerns with their lobbies defeated the highway bill a year ago and we understand that it is their intention to have the bill amended from the floor to lessen the size and weights protection and to reduce the truckers' taxes, all of which would be unfair and unsound. We urge your militant opposition to such a move.

With best wishes and kindest personal regards,

Respectfully,

W. C. HEFNER,
Chairman.

CLEVELAND, OHIO, May 22, 1956.

HON. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

Important to retain in Highway Bill H. R. 10660 text of Gore bill as originally passed and as reported by Senate Public Works Committee providing reasonable limitations

on size and weight of motor vehicles. Respectfully suggest growing toll of traffic accidents warrants your action to prevent trucks from getting any bigger or heavier. Such limits should be held until pending studies of highway safety and pavement capacity are completed. House version would only limit axle loads while Senate report properly controls gross weight as well as width, length, and height. Senate should hold firm on conference, if any. Will greatly appreciate your favorable consideration.

W. P. KENNEDY,
Brotherhood of Railroad Trainmen.

ASTORIA, OREG., April 30, 1956

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Now that highway bill is in the Senate may I suggest support for Gore weight and height limitations.

Thanking you,
GUY BOYINGTON,
County Judge.

NEWPORT, OREG., April 30, 1956.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

This association representing seven Oregon coast counties, sincerely hopes that you will be able to retain provisions of Gore bill as to maximum weight and size features as also recommended by the American Association of Highway Officials in your committee's consideration of highway bill.

VERNE AYERS,
Manager, Oregon Coast Association.

ONTARIO, OREG., May 14, 1956.

Senator WAYNE MORSE,
United States Senate Office Building,
Washington, D. C.

DEAR SENATOR: In regards to the Federal highway bill now being or to be considered by the United States Senate soon.

I feel that adequate highway user charges should be based on the amount of use obtained by the individual user, this is only way to finance this new highway, as cannot see more taxes placed on the small user to provide a super right-of-way for the large truckers.

I also feel that the size and weight limitations in the original Gore bill are necessary to preserve our investment in highways, otherwise we will be rebuilding them again in a few years for bigger and heavier trucks.

Respectfully,

C. A. KEIM.

BAKER OREG., May 22, 1956.

Hon. WAYNE MORSE,
United States Senate Office Building,
Washington, D. C.:

Please protect Oregon highways in the Federal highway bill by enacting the Gore sizes and weight amendments. The small amount of taxes that the big truck operators will pay is no insurance to the private car owner.

PAT DAVIS.

ONTARIO, OREG., May 14, 1956.

Senator WAYNE MORSE,
United States Senate Office Building,
Washington, D. C.

DEAR SENATOR: In regards to the Federal highway bill now being considered or soon to be considered by the United States Senate.

I feel that adequate highway user charges should be based on the amount of use obtained by the individual user, this is only way to finance this new highway, as cannot see more taxes placed on the small user to provide a superhighway for the large operators.

I also feel that the size and weight limitations in the original Gore bill are necessary to preserve our investment in this highway otherwise we will be rebuilding this highway in a few years for longer and heavier carriers.

Respectfully yours,

JOE WILSON.

ASTORIA, OREG., March 20, 1956.

Re H. R. 8836 (Fallon bill).

Hon. WAYNE MORSE,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Please pardon me for again calling to your attention highway legislation now before the Congress. I am sure we all agree that the importance of preserving the investment we have already made in Federal and State highways, county roads, and city streets cannot be overemphasized. There is a definite need in any highway legislation to establish size and weight limitations on the heavy vehicles using our roads and highways.

It appears to me that the provisions of section 7 (e) of H. R. 8836 (Fallon bill) adequately limit sizes and weights without imposing any additional restrictions other than now imposed by existing State laws. I feel sure this provision merits your wholehearted support.

Thanking you again for your kind consideration, I am

Yours truly,

GUY BOYINGTON,
Clatsop County Judge.

ASHLAND, OREG., March 17, 1956.

Hon. WAYNE MORSE,
United States Senator,
Senate Building, Washington, D. C.

DEAR SENATOR: The Oregon U. S. 99 Highway Association is vitally interested in the passage of national highway legislation, as indicated in our former telegram.

We feel that if this tremendous investment in highways is made, that reasonable rules for the protection of the highways should be adopted. Section 7 (e) of H. R. 8836 provides this protection and, we feel, is not unduly restrictive on the truck operators.

The report of the American Association of State Highway Officials is based on the Washo road test and is the best indicator we have of maximum load limits when the economics of road construction is considered.

We respectfully request your support of this important legislation.

Sincerely yours,

OREGON U. S. 99 HIGHWAY
ASSOCIATION,
R. E. KOOSER, President.

Mr. THYE. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. THYE. The reason I wished to comment on that specific point is that I have had communications during the past 10 days which indicate that the writers are very anxious that the provisions of the Kerr amendment be embodied in the bill and be taken to conference. That is the only reason why it has been a little difficult for me to determine the provisions of the Kerr amendment in relation to the Gore amendment, because they are almost identical. Am I correct?

Mr. GORE. I believe they are identical as to axle weight and as to tandem axle weight and as to width. I have tried to make it plain that the Senate bill deals with height, which the Kerr amendment does not deal with.

Mr. THYE. And the Senator says that is immaterial. Is that correct?

Mr. GORE. It is immaterial, but I became convinced, after studying the matter, that the most unjustifiable restriction, if there be any in the Senate bill, was in the imposition of a height limitation, from which there seems to be no particular damage to the road, and which the States are in the act of raising.

There is less uniformity in the height limitation and in the length limitation than in any other. The Kerr amendment deals with the three important points on which there is reasonable uniformity among the 48 States. I could not agree to the amendment as the Senator from Oklahoma had first submitted it, but in negotiating with him we finally agreed on the amendment which he has presented.

Mr. MORSE. Mr. President, it seems to me to be important that the conferees have jurisdiction to negotiate. The Gore amendment gives such jurisdiction. In view of the fact that a great many people are familiar with the Gore amendment, and not with the Kerr amendment, so far as I am concerned, I shall stand with the Gore amendment. If in conference a compromise is necessary to be reached, the committee will have jurisdiction to negotiate such a compromise.

Mr. THYE. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. THYE. The communications I have received have come from people who have made a very careful study of the proposed legislation, and they were interested because they are members of the American Trucking Association and they are truckers themselves. They stated there was merit in the Kerr amendment and that it made the bill a better bill than it would otherwise be. That is why I have stated that I was hopeful I might be able to support the Kerr amendment.

Mr. NEUBERGER. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. I yield.

Mr. NEUBERGER. I should like to ask a few brief questions. As the Senator knows, I supported him in committee when he submitted the original Gore amendment. Is it the opinion of the Senator from Tennessee that the original Kerr amendment strengthens or weakens that section of the bill which applies to limitations on the size, weight, and dimension of trucks operating over the Interstate System?

Mr. GORE. I will say in all candor that the Kerr amendment is less restrictive than the Senate committee amendment. I should like to add, if I may, that I have become convinced that the committee bill is a little too restrictive on height.

Mr. NEUBERGER. What is the Senator's opinion as to length? Under the Senate bill there is a limitation on the length of a truck operating on the Interstate System. Is that correct?

Mr. GORE. That is correct.

Mr. NEUBERGER. Under the Kerr amendment, the restriction on length is eliminated. Is that correct?

Mr. GORE. It is directly, but when we take into consideration—as the Senator can see from the AASHO code—the

single axle weight, the tandem axle weight, and the weight limit, we come up to 60 feet, which is the AASHO code limit.

Mr. NEUBERGER. With respect to great big trucks, the length of the trucks becomes a very important factor in highway safety from the standpoint of motorists getting around them and on sharp curves.

Mr. GORE. That is correct.

The PRESIDING OFFICER (Mr. FREAR in the chair). The Senator's time has expired. All time for debate on the amendment has expired.

Mr. GORE. Mr. President, I promised to yield 2 minutes to the Senator from Nevada. I yield myself 1 additional minute on the bill. Then I shall yield 2 minutes on the bill to the Senator from Nevada.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. NEUBERGER. May I ask just one further question?

Mr. GORE. I yield to the Senator from Oregon.

Mr. NEUBERGER. Does the Senator believe it is advisable to delete the restriction on length from the original provision in the bill?

Mr. GORE. The Senator has catechized me very thoroughly on this subject, and in all candor I will say to him that I compromised on that point. I thought I should yield on the height. I saw no necessity for yielding on the length. However, in order to reach a compromise with the Senator from Oklahoma [Mr. KERR], realizing that axle placement and limitation would indirectly limit the length, and also believing that there was a total lack of uniformity as among the States, I agreed to that.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. GORE. I yield 2 minutes on the bill to the Senator from Nevada.

Mr. MALONE. First, I should like to ask the Senator to yield to me for a question.

Mr. GORE. I yield.

Mr. MALONE. Under the Gore amendment or under the Kerr amendment, a State which has no limit on certain features that are limited in the Gore amendment or in the Kerr amendment, would not be limited by the Federal law. Is that correct?

Mr. GORE. In my opinion, whatever is legal now in Nevada, will remain so until doomsday.

Mr. MALONE. There would be no limit?

Mr. GORE. That is my understanding.

Mr. MALONE. Now I shall ask the Senator to yield me 2 minutes.

Mr. GORE. I yield 2 minutes on the bill to the Senator from Nevada.

Mr. FULBRIGHT. Will the Senator yield to me first for a question?

Mr. GORE. I yield.

Mr. FULBRIGHT. Does the Senator from Tennessee intend to hold the Senate in session all night; or how long does he intend to have the Senate remain in session tonight?

Mr. GORE. So far as I know, there are no more major controversial amend-

ments. I shall yield to the Senator from Nevada [Mr. MALONE]; then there is a minor amendment pending. It is the plan of both the acting majority leader and the minority leader to finish consideration of the bill this evening, and I hope we will be able to do so before very long.

Mr. FULBRIGHT. Even if it means staying in session all night?

Mr. GORE. Not all night.

Mr. CHAVEZ. It is not important whether we run all night or two nights. The important thing is that we need a road bill, and we need it now. The American people are calling for it. We must have a road bill, because the State legislatures will meet in January. They want to know what Uncle Sam is going to do about it before they provide for the contribution of State funds.

FEDERAL ENCROACHMENT ON STATE LAWS WHERE NO LIMITATIONS NOW OBTAIN

Mr. MALONE. I understand from the answer of the distinguished Senator from Tennessee that any State without a law limiting certain features including length, height, and weight, would not be limited by the Federal law. I take it that through exempting any State regulations exceeding the Federal law—or no limitation is in the nature of a "grandfather" clause.

The House freeze on size and weight applies only to axles. The Senate amendment involves axle groups, total gross load and height, width, and length.

Both bills provide that State limits in effect on July 1, or the standards of the American Association of State Highway Officials, whichever are greater, will apply after that date.

Nevada has no limits on height, length, or weight. The standards of the American Association of State Highway Officials for height, weight, and length are less than those in surrounding States. Nevada must either continue without State limitations, or, if increased local traffic makes it necessary to set limits as a safety factor, must impose limits below those of the surrounding States to conform to Federal limitations. This would throw a roadblock across interstate traffic between many of the Western States and would result in serious handicaps to western economy.

Mr. President, I wish to include in the RECORD figures of height, width, and length in the States of California, Utah, and Arizona.

In California the height limit is 13 feet 6 inches; the width is 96 inches; the length is 60 feet.

In Utah the height is 14 feet; width, 96 inches; length, 60 feet.

In Arizona the height limit is 13 feet 6 inches; the width is 96 inches; the length is 65 feet.

So, if we were forced by traffic congestion to any limitation of these factors we would have to adopt height and length limits below those of the surrounding States.

I think it is unnecessary to adopt the amendment offered by the Senator from Oklahoma, because it has been stated before that this matter will be in conference, and I think the conference can take care of it.

Mr. FULBRIGHT. I should like to ask a question of the Senator from Tennessee.

Is there any limitation on length in the Kerr amendment? Could a truck be 100 feet long under the Kerr amendment?

Mr. GORE. There is no limitation in the Kerr amendment.

Mr. KERR. There is in the House bill.

Mr. GORE. And there is in the Senate committee bill.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. KERR] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. LEHMAN. Mr. President, I call up my amendment "5-28-56-H," and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New York will be stated.

The CHIEF CLERK. On page 50, after line 8, it is proposed to insert the following:

SEC. 118. The definition of the term "construction" in section 1 of the Federal-Aid Highway Act of 1944 is hereby amended to read as follows: "The term 'construction' means the supervising, inspecting, actual building, and all expenses incidental to the construction or reconstruction of a highway, including locating, surveying, and mapping, cost of rights-of-way, cost of relocation of building tenants, cost of demolition of structures or removal of usable buildings to new sites, including the cost of such sites, and the elimination of hazards of railway grade crossings."

On page 50, line 9, strike out "SEC. 118" and insert in lieu thereof "SEC. 119."

On page 50, line 12, strike out "SEC. 119," and insert in lieu thereof "SEC. 120."

Mr. LEHMAN. Mr. President, I shall speak very briefly on this amendment.

I urge this amendment, Mr. President, because it deals with a very important part of the cost of highway construction in New York State and other States.

Governor Harriman has wired me about it and so have other officials of my State.

The effect of this amendment would be to include in the definition of the cost of highway construction the cost of relocating tenants on property which has to be condemned in order to put a new road through.

For any State which assumes the responsibility for relocating people on property it must condemn for other purposes, this relocation is a large item in the expense of the cost of the project. Many States assume this responsibility and, although it is, of course, a matter for individual States to determine whether they will do so, I for one certainly think it is a responsibility they ought to assume.

This amendment, therefore, would have the effect of allowing a State which undertakes this responsibility to use their Federal-aid funds for this purpose, just as the State uses Federal-aid funds to purchase the right-of-way and to build the highway, and other authorized expenditures.

This amendment does not increase the apportionment of any State. It does not

affect that apportionment whatever. All it does is allow the State to count this cost in with its other costs of highway construction.

This provision was included in the language of the House bill and I think it certainly should be added here.

Mr. GORE. Mr. President, I yield myself 1 minute.

A few moments ago the Senate voted to limit the amount of reimbursement for the moving of utility poles of local utilities. The junior Senator from New York now proposes that we consider as a part of highway construction the relocation of tenants who are disturbed in their domiciles and businesses as a result of highway construction.

The committee has not considered the amendment. I am not in a position to accept it, and I ask that it be rejected.

SEVERAL SENATORS. Vote! Vote!

Mr. LEHMAN. Mr. President, I may say to the Senator from Tennessee that there is no analogy between my amendment and the one to which he refers. My amendment does not increase the apportionment of any States, not a red cent; it does not affect the apportionment in any way whatsoever. All it does is to allow the State to include this cost with other costs of highway construction.

Mr. GORE. Mr. President, I yield back my time.

Mr. LEHMAN. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment offered by the Senator from New York [Mr. LEHMAN] to the committee amendment.

The amendment to the amendment was rejected.

Mr. DOUGLAS. Mr. President, I move that the vote by which the so-called Fulbright amendment was adopted be reconsidered, and I ask that the Fulbright amendment be again read, because I think very few Members of this body know what it is.

Mr. FULBRIGHT. Mr. President, I move to lay the motion of the Senator from Illinois on the table. I do not object to the amendment being read.

The PRESIDING OFFICER. Is there objection to the reading of the amendment of the Senator from Arkansas which was adopted? The Chair hears none, and the amendment will be read.

The CHIEF CLERK. On page 50, between lines 8 and 9, insert a new section, as follows:

SEC. 118. (a) All wage determinations made by the Secretary of Labor under the act of March 3, 1931, as amended, known as the Davis-Bacon Act (40 U. S. C., sec. 276a et seq.), which are applicable to highway construction contracts entered into under this title, shall, notwithstanding the provisions of section 4 of the Administrative Procedure Act, be subject to such act, and made on the record after opportunity for hearing. Review of any such wage determination, or the applicability of any such wage determination, may be had within 90 days after such determination is made in the manner provided in section 10 of the Administrative Procedure Act by any person adversely affected or aggrieved thereby, who shall be deemed to include any contractor or subcontractor engaged in the same type of con-

struction operating in the locality to which such wage determination is applicable.

(b) Notwithstanding the inclusion of any stipulation required by any provision of said act of March 3, 1931, in any highway construction contract made subject to such act by this section, any interested person shall have the right of judicial review of any issue which might otherwise be raised.

(c) No appeal taken as herein provided shall in any way delay the advertising for bids or the awarding of contracts.

On page 50, line 9, strike out "118" and insert in lieu thereof "119."

On page 50, line 12, strike out "119" and insert in lieu thereof "120."

Mr. DOUGLAS. Mr. President, when the amendment was originally proposed, there was a good deal of disorder on the floor, and some Senators did not hear the contents of the amendment. I am informed by the clerks at the desk that the amendment was read. Although at first there was some uncertainty as to whether it was read, the clerks now inform me that the amendment was read. I can say that there were many Senators who certainly did not hear it. The vote to approve the amendment went through with supersonic speed. So I think the issue should be debated and understood.

In effect, the amendment would negate and shoot to pieces the Chavez amendment, which was agreed to this morning, because not merely would the procedures of the Administrative Procedures Act be carried out, but there would be a judicial review.

The Senator from Arkansas [Mr. FULBRIGHT], for whom I have great esteem, and whom I regard as one of the finest Members of the Senate, inserted a similar clause in the Walsh-Healey Act, a clause which has virtually prevented the Walsh-Healey Act from functioning. What will happen if this clause is retained is that after a finding has been made, the interested parties can go into court and, with all the delays of court procedure, tie things up for years, and make the Chavez amendment and the Davis-Bacon Act completely ineffective.

I cannot believe it was the opinion of the majority, after the vote in the Senate this morning, that we should reverse ourselves by a voice vote early this evening. I am confident that a very large proportion of the Members of the Senate did not realize what was being approved. So I hope very much that the amendment can be reconsidered, and then that it may be rejected.

Mr. KNOWLAND. Mr. President, I do not want to cut off the debate, but I intend to make a motion to lay on the table the motion of the Senator from Illinois.

I wish to say in full fairness to the distinguished Senator from Arkansas [Mr. FULBRIGHT] that I thought, at the time his amendment was called up, that he made a very full explanation of what the amendment provided. I think it is a constructive amendment. I think it is in keeping with the discussion which went on, and with one vote, at least, the Senate took, that arbitrary power should not be left in the hands of any Secretary of Labor. I think the amendment was understood. If we are to complete the bill, I do not see how we can

continue to reconsider actions which we have already taken on this and many other amendments.

I do not wish to prevent the distinguished Senator from Arkansas [Mr. FULBRIGHT] or the distinguished Senator from New Mexico [Mr. CHAVEZ] from speaking, if they desire to do so; but I wish to be recognized in order to move to lay on the table the motion to reconsider.

Mr. GORE. Mr. President, I yield 5 minutes to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I may say, first, to the Senator from Illinois that the subject matter was under discussion for, I suppose, a good hour this morning; and several Senators who were in favor of the Chavez amendment expressed themselves in the course of the debate as being in favor also of judicial review. Certainly there was no element of surprise about the substance of the amendment. I stated very clearly, I think the Senator will recall, in answer to questions in the course of the debate this morning, the purpose of the judicial review, and I called attention to the insertion of the provision in the Walsh-Healey Act.

I recall distinctly that the Senator from Indiana was one who, I believe, voted for the Chavez amendment, but said he was also in favor of judicial review.

First of all, the provision relates to the application of the Davis-Bacon Act only in matters arising under the bill. It does not relate generally to the application of the Davis-Bacon provision now in force in other fields of Federal construction.

So I think there was no element of surprise. The amendment was debated at considerable length.

I also call attention to the fact that the Senate approved, after a very strenuous battle, the insertion of the same type of provision in the Walsh-Healey Act. So there is no evidence that the Senate does not approve of this provision generally as a proper procedure in matters in which heretofore the Secretary of Labor has had the final authority without any appeal.

I think I made it very clear this morning that I am not opposed to the application of the principle of prevailing wages in this or any other type of construction program conducted by the Federal Government. What I am opposed to are arbitrary rulings by the Secretary as to what is the prevailing wage. That is where all the complaint has been under the Walsh-Healey Act and the Davis-Bacon Act in the past, so far as I am concerned. No one is trying to say that we are attempting to pay or wish to pay persons in any of these fields at a rate below the prevailing wage, or that we are trying to operate sweatshops with Government funds. But we do object to the quite arbitrary rulings by the Secretary of Labor as to what is the prevailing wage in a particular locality.

All the amendment does is to provide an appeal from such a decision on the part of the Secretary of Labor.

Mr. GORE. Mr. President, I yield 5 minutes to the distinguished Senator from New Mexico.

Mr. CHAVEZ. Mr. President, I should like to ask the Senator from Arkansas a question—and it will be a question. The Senator from Arkansas seems to be very enthusiastic or emphatic about judicial decisions. The Supreme Court of the United States made a decision sometime ago with reference to integration. I wish to ask the Senator from Arkansas now whether or not he approves of that judicial decision.

Mr. FULBRIGHT. I think the Senator from New Mexico well knows that I and many other Senators publicly and clearly stated our disagreement with that decision. But because I disagree with a particular decision or the quality of the Court at any particular time does not mean that I am ready to abandon judicial process as a part of orderly government. I do not approve of all the decisions of this body, either, but I am not ready to abolish the Senate.

Mr. CHAVEZ. I am not ready to abolish the Senate. That is why I am willing to have the Senate be counted on the amendment offered by the Senator from Arkansas.

Mr. FULBRIGHT. It was counted a little earlier. I did not hear the Senator from New Mexico raise his voice in opposition.

Mr. CHAVEZ. I want the Senator from Arkansas to realize that this is 1956. This is an election year. So let us be counted—every Senator from every State—as to how we will vote on this proposal.

Mr. GORE. Mr. President, I yield 2 minutes to the senior Senator from Oregon.

Mr. MORSE. This question, in my judgment, should not be handled by judicial finding. It involves a simple question of fact. Administrative agencies are best suited to ascertain the prevailing wage in any area, with the assistance of the Bureau of Labor Statistics in the Department of Labor.

I think it is very unwise to clutter up the judicial process with this kind of determination. It will result in delay, and it is bound, in my judgment, to scuttle the objective of the Chavez amendment.

Assume that a highway is about to be built, and the contractor needs to have a determination as to what wage he will have to pay. The administrative law process has been developed to meet exactly that kind of situation which confronts us in running the economy. To involve this kind of a question in the delays incident to a judicial review can have only one purpose, namely, to prevent a determination of the prevailing wage until long after the highway has been built. If what is wanted is dilatory tactics, then Senators should vote for the Fulbright amendment.

I think the Senator from Illinois [Mr. DOUGLAS] should be commended for asking for a review of the matter tonight, because a good many Senators were at dinner when the amendment was called up. We did not even have the benefit of a quorum call. We were not aware

that this was a proposal, really, to modify an amendment which had already been agreed to earlier by a yea-and-nay vote.

I think fair procedure required our being summoned to the floor of the Senate by a quorum call and being put on due notice as to what subject was under consideration.

Mr. GORE. Mr. President, I yield 1 minute to the junior Senator from California.

Mr. KUCHEL. Mr. President, for one who does not find himself in complete intellectual mesh with my brother from the State of Oregon, I am delighted to join with him in the comments he has just made. I was absent from the Chamber when the amendment of the Senator from Arkansas came before the Senate, and I must say I am just a little bit confused that, after 40 years of living with a piece of legislation which clearly and simply provides for the payment of prevailing wages on Federal construction contracts, we suddenly find, in a debate on highway legislation, that someone desires to have a judicial review of what prevailing wages may be.

Mr. President, I am a lawyer, perhaps not very much of a lawyer, but I must say there is a need to have finality of decision with respect to administrative fiat in the Federal Government.

For a long, long time the Congress and the President of the United States have approved a law by which the Secretary of Labor makes certain decisions. I think it ill behooves the Senate to provide now, in 1956, an opportunity for judicial review of what has been sanctioned and approved for a long, long time.

I hope we may now have an opportunity to reverse what the Senate approved a little earlier, when some of us were at dinner and did not have knowledge of or a chance to vote on the Fulbright amendment.

Mr. KNOWLAND. Mr. President, I yield 1 minute to the Senator from Tennessee.

Mr. GORE. Mr. President, I want to acknowledge to the Senate an error. I was acquainted with the fact that the junior Senator from Arkansas had an amendment to title II. When he rose to offer the amendment, I turned to the senior Senator from Virginia [Mr. BYRD], and I said to him, "You look after this one." I am not suggesting that he did. [Laughter.] But, upon making that remark, I turned and conferred with three Senators about amendments on which we were trying to reach some recommendation and compromise.

I did not hear the speech of the distinguished junior Senator from Arkansas. Someone said, "Do you yield back your time?" I looked around. No one was seeking time to speak. I yielded my time back.

I have been here since 10 o'clock this morning. I acknowledge I made an error.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion of the Senator from Illinois.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. May I inquire whether there was a quorum call prior to the vote on the so-called Fulbright amendment?

The PRESIDING OFFICER. The Chair is advised there was not a quorum call.

Mr. KNOWLAND. I move to lay on the table the motion of the Senator from Illinois.

Mr. DOUGLAS, Mr. MORSE, and other Senators asked for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. ELLENDER (when his name was called). On this vote I have a pair with my colleague, the junior Senator from Louisiana [Mr. LONG]. If he were present, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. SMATHERS. I announce that the Senator from Kentucky [Mr. CLEMENTS], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Louisiana [Mr. LONG], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

The Senator from Texas [Mr. JOHNSON], the Senator from Tennessee [Mr. KEFAUVER], and the Senator from West Virginia [Mr. NEELY] are necessarily absent.

On this vote, the Senator from Kentucky [Mr. CLEMENTS] is paired with the Senator from Georgia [Mr. RUSSELL]. If present and voting the Senator from Kentucky would vote "nay," and the Senator from Georgia would vote "yea."

I further announce that, if present and voting, the Senator from Tennessee [Mr. KEFAUVER], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], and the Senator from West Virginia [Mr. NEELY] would each vote "nay."

Mr. KNOWLAND. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Vermont [Mr. FLANDERS], the Senator from Kansas [Mr. SCHOEPPLE], and the Senator from Wisconsin [Mr. WILEY] are absent on official business.

The Senator from Iowa [Mr. HICKENLOOPER], the Senators from Indiana [Mr. CAPEHART and Mr. JENNER], and the Senator from New Jersey [Mr. SMITH] are necessarily absent.

The Senator from New York [Mr. IVES] is absent because of illness.

Also, the Senator from Ohio [Mr. BENDER], the Senator from Maryland [Mr. BUTLER], the Senator from South Dakota [Mr. CASE], the Senator from Nebraska [Mr. HRUSKA], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from Connecticut [Mr. PURTELL], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from Vermont [Mr. FLANDERS], and the

Senator from Kansas [Mr. SCHOEPPEL] would each vote "yea."

The result was announced—yeas 36, nays 33, as follows:

YEAS—36

Allott	Eastland	McClellan
Barrett	Ervin	Millikin
Bible	Frear	Mundt
Bricker	Fulbright	Robertson
Bridges	George	Smathers
Byrd	Goldwater	Stennis
Carlson	Holland	Thye
Cotton	Johnston, S. C.	Watkins
Curtis	Knowland	Welker
Daniel	Malone	Williams
Dirksen	Martin, Iowa	Wofford
Dworshak	Martin, Pa.	Young

NAYS—33

Alken	Hennings	Monroney
Anderson	Hill	Morse
Beall	Humphrey	Neuberger
Bush	Jackson	O'Mahoney
Case, N. J.	Kerr	Pastore
Chavez	Kuchel	Payne
Douglas	Laird	Potter
Duff	Langer	Scott
Gore	Lehman	Smith, Maine
Green	Mansfield	Sparkman
Hayden	McNamara	Symington

NOT VOTING—26

Bender	Hruska	Murray
Bennett	Ives	Neely
Butler	Jenner	Purtell
Capehart	Johnson, Tex.	Russell
Case, S. Dak.	Kefauver	Saltonstall
Clements	Kennedy	Schoeppe
Ellender	Long	Smith, N. J.
Flanders	Magnuson	Wiley
Hickenlooper	McCarthy	

So the motion to lay on the table was agreed to.

Mr. BUSH. Mr. President, I call up my amendment identified as "5-25-56-C." I ask that the amendment be printed at this point in the RECORD, but not read.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment submitted by Mr. BUSH to the committee amendment is as follows:

On page 49, between lines 24 and 25, insert the following new section:

"Sec. 117. Notwithstanding any provision of the Federal-Aid Road Act approved July 11, 1916 (39 Stat. 355), as amended and supplemented, where any State desires to levy tolls on any section of a highway on which Federal-aid highway funds have been expended, the Secretary of Commerce, upon the request of the State highway department, may authorize the State to repay the amount of the Federal-aid funds theretofore expended on such section of highway to the Federal Government either by cash or by credit deduction against vouchers submitted for reimbursement of the Federal share of the cost of Federal-aid work currently under construction. Cash repayments shall be made to the Treasurer of the United States to the account of the highway trust fund and be deposited to the credit of the appropriation for Federal-aid highways. The Secretary of Commerce shall credit the amount of any repayment, together with the unpaid balance of any amount programed for expenditure on such section of highway, to the unprogramed balance of Federal-aid road funds of the same class last apportioned to such State, and the amount so credited shall be in addition to all other funds then apportioned to such State and shall be available for expenditure in accordance with the provisions of the Federal-Aid Road Act approved July 11, 1916, as amended and supplemented. Upon such repayment, the project agreement with respect to the project from which the funds are repaid shall be canceled and such section or sections of highway shall become and be free from any toll limitations or other restrictions contained in said act."

Mr. GORE. Mr. President, will the Senator from Connecticut yield?

Mr. BUSH. I yield.

Mr. GORE. Is this the amendment about which we have conferred?

Mr. BUSH. It is.

Mr. GORE. I accept the amendment, and will take it to conference.

Mr. BUSH. I thank the Senator from Tennessee.

The PRESIDING OFFICER. Do the Senator from Connecticut and the Senator from Tennessee yield back all the remaining time on the amendment of the Senator from Connecticut to the committee amendment?

Mr. BUSH. I do, Mr. President.

Mr. GORE. I do, Mr. President.

The PRESIDING OFFICER. All remaining time on the amendment to the committee amendment has been yielded back.

The question now is on agreeing to the amendment of the Senator from Connecticut [Mr. BUSH] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. MORSE. Mr. President, for purposes of discussion, I call up the amendment intended to be submitted by the Senator from Florida [Mr. SMATHERS], and identified as "5-28-56-A." I ask that only the first clause of the amendment be read at this time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The LEGISLATIVE CLERK. In the committee amendment on page 60, beginning with line 17, it is proposed to restore all the matter stricken out through line 2 on page 61.

Mr. MORSE. Mr. President, this is the original Smathers amendment. I have brought it up now for the purpose of brief discussion.

I may withdraw the amendment on the advice of my friend, the Senator from Florida.

The amendment relates to a very serious problem existing in many parts of the country, in the case of transit companies.

At this point I wish to read a telegram I have received from the president of the transit company in Portland, Oreg. I assure the Senate that a similar situation exists in the case of most of the transit companies in the country. The telegram reads as follows:

PORTLAND, OREG., May 24, 1956.

Senator WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.:

New highway legislation in H. R. 10660 excepted most transit companies from payment of additional fuel tax and any weight tax where 60 percent of the total passenger fare revenue came from fares presently exempt from Federal transportation tax. Senate committee has removed these exemptions. Each 1 cent in fuel tax rate costs the Rose City Transit Co. \$25,000 per year. A 3 cent fuel tax would cost the company an additional \$75,000 per year and would necessitate an immediate increase in fares to enable the company to meet the additional costs. City transit cannot, based upon present revenues, absorb any additional tax load. Present annual net income of the company is slightly less than \$10,000. Earnestly request your effort to

have the options restored in this legislation.

ROSE CITY TRANSIT CO.,
GORDON G. STEELE, President.

Mr. President, the Portland transit company, which is known as the Rose City Transit Co., does not differ very much from transit companies in many other parts of the country. By and large, this industry is a declining one and a losing one. We have only to consider the situation existing among transit companies across the country, to recognize that we cannot justify the imposition of this additional tax burden on transit companies, because by and large these companies serve the poorer economic groups in our society; by and large they serve those who cannot own automobiles and drive to work. These companies do not serve the Cadillac riders.

I have talked to members of the committee, and I am advised that the situation is about as follows: The Senate committee was a little concerned because some other organizations or economic groups thought that if this exemption were allowed the transit companies, it should be allowed to other companies, such as dairy companies, which deliver milk in cities, but are not monopolies or public utilities, or businesses serving a public interest, such as a public utility is, and are not businesses whose profits in the first instance are limited and whose operations are strictly regulated in the way that those of public utilities and monopolies are regulated.

Mr. President, it seems to me to be an undue hardship to impose this additional tax on transit companies. I think we ought to try to reach some understanding on the floor of the Senate, or else adopt the Smathers amendment.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from New Mexico.

Mr. ANDERSON. I will say to the Senator from Oregon that this condition was called to my attention by the transit company in my home community. The city of Albuquerque has been compelled to make some adjustments in franchise taxes, and in various other respects, in order to keep the bus company in operation. This tax would mean an annual charge on the transit company of approximately \$5,000 a year, which is not very much, but when the city must make concession after concession to keep the transit company in operation, it seems so strange to impose this further tax. If the Senator from Oregon offers the amendment to which he has referred, I intend to support it.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ALLOTT. I find the situation in my own State to be much the same as that which the Senator from Oregon has described.

As members of the Committee on the District of Columbia we have both been through the transit situation. We know the situation in which transit companies find themselves.

Our Pueblo Transit Co. finds that the additional tax would cost about \$3,000. The Denver Tramway Corp. finds that it

would cost it about \$128,000 additional during the year.

I ask unanimous consent that letters which I have received on this subject be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE DENVER TRAMWAY CORP.,
Denver, Colo., May 25, 1956.

HON. GORDON ALLOTT,
Senate Office Building,
Washington, D. C.

DEAR SENATOR ALLOTT: Reference is made to your telephone conversation with Mr. Allan Phipps Thursday evening, May 24, in which the matter of House bill H. R. 10660, new highway legislation, was discussed.

Mr. Phipps asked us to forward to your attention such facts as would demonstrate the effect of this bill on the Denver Tramway Co. The diesel fuel tax restored by removing the exemption will cost us approximately \$120,000 per year, and the new vehicle weight tax will cost us \$8,842, or a total of \$128,842 in additional taxes resulting from the elimination of the exemptions. In addition to this, of course, there was already contained in the bill \$36,687 annual increased cost by reason of increased taxes on tires and tubes, or a total annual increased cost to the Denver Tramway of \$165,794.

We are greatly concerned over the added \$128,842 in taxes resulting from the removal of the exemption, as we cannot emphasize too strongly that Tramway is in no position to absorb the increased cost resulting from these increased taxes.

This company and transit generally does not use the Federal System of Interstate and Defense Highways covered by H. R. 10660.

We, at Tramway, have during the past year completely modernized our entire operation for one purpose only, to reduce operating expenses and avoid, if possible, substantial fare increases, thus permitting us to continue operating as a privately owned mass transportation system. As a result of these steps, expenses were reduced in 1955 over \$700,000, yet this was all absorbed by the continued patronage decline. Income for the first 4 months of 1956 is far below 1955 for the same reason. Therefore, it is obvious that this tax will increase operating expenses to the extent that we will be forced to immediately file for a substantial fare increase.

Tramway, together with the transit industry generally, is fighting for its very existence as a result of increased operating expenses and declining revenues. In this respect we are completely unlike any other form of for-hire passenger transportation. State and local regulatory bodies have recognized the seriousness of the problem facing our industry as demonstrated by steps taken to eliminate or reduce taxes in numerous cities and States. The taxes imposed on our industry, like those contained in H. R. 10660, without exemptions, can only result in the ultimate elimination of the mass transit industry under private ownership. The net result will, of course, be Government ownership in one form or another, with corresponding subsidies which I am sure we can all agree would be most undesirable.

The ironical effect of this tax is that it must be passed on to our fare-paying passengers, who are the very people who don't use the highways by reason of their utilization of local public transportation. We also feel that these same passengers are, because of their general economic level, those who can least afford the increased cost. It is an accepted fact that fare increases, which could only result from this bill, further reduce transit patronage, which, in turn, accelerates the need for further fare increases. All of this only multiplies our already serious problems in Denver and throughout the

country, and hastens the day when we shall no longer be a private industry.

We are sincerely hopeful that transit exemptions will be restored to H. R. 10660, and because of the urgency of this matter, we will greatly appreciate anything you can do to assist us.

Respectfully yours,

W. A. ALEXANDER,
President.

PUEBLO, COLO., December 5, 1955.

HON. GORDON ALLOTT,
United States Senator,
Denver, Colo.

DEAR GORDON: We are attorneys for the Pueblo Transit Co., of Pueblo, Colo., which concern owns and operates the Pueblo local street bus system. Its operations are confined to the city limits of said city.

It is our understanding that highways, and more particularly, taxes to pay for them, will receive top consideration when Congress reconvenes in January. Proposals will probably be made for increasing taxes on gasoline, diesel fuel, and large tires.

As you are no doubt already aware, the revenue derived from the operation of local bus companies has been continually diminishing, due to automobile competition and decentralization, to such an extent that there is a serious question whether many of the now existing local bus companies throughout the country will be able to continue. In most cases the fares now being charged by the local bus companies are already so high that it is questionable whether any additional revenues would be realized by increased fares, because of the reduction in riders which would necessarily result therefrom.

This is a condition that is not peculiar to our local company. It is a situation which confronts practically every local bus company in the country.

We sincerely hope therefore that before the passage of any legislation increasing the operating costs of local transit companies, that hearings will be arranged in order that all parties affected will have an opportunity to present their views, and how any proposed increase in taxes will affect their particular operations.

Very truly yours,

PETERSEN & EVENSEN,
By HARRY PETERSEN.

Mr. MORSE. I thank the Senator from Colorado.

Mr. President, I wish to make a prediction. There is not a Member of this body from a single State in the Union who would not find that the problem which I am deploring in connection with this subject exists in his or her State. This is a uniform problem across the country. When we have a problem so uniform as this, when we have a problem dealing directly with the low income groups, who necessarily ride on public transportation systems, I think we should take this amendment to conference.

I recognize the problem of the committee with other requests before it, but I think we are relieving the committee on the floor of the Senate when we say most respectfully to the committee that there is a common problem in each one of the States, and we believe that our committee should do us the favor of taking the Smathers amendment to conference.

Before I make the final decision as to whether or not to press for this amendment, I should like to know, first, what my friend from Florida thinks about the situation. I am in a position in which, in effect, I have accepted his amend-

ment, although he knew from previous conversations that I intended to raise this question. Technically I am offering the amendment as my amendment, but let the RECORD be clear that the amendment was first submitted by the Senator from Florida.

The PRESIDING OFFICER. The Chair informs the Senate that the amendment would not be in order at this time, because the Senate is dealing with technical amendments to title I, and not title II.

Mr. MORSE. We are completing the discussion on this subject.

Mr. President, do I still have the floor?

The PRESIDING OFFICER. The Senator from Oregon has the floor.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Florida.

Mr. SMATHERS. Mr. President, the reason I had not offered the amendment previously was that we had not approached the particular part of the bill with respect to which this amendment would have been appropriate. However, I had some previous discussion with the Senator from Oregon on the subject. He had evidenced his interest in the amendment, as had the Senator from Colorado, the Senator from Minnesota, and many other Senators who find in their States transit companies which operate under franchises and in precarious financial straits. Many of them are operating on a borderline basis, so to speak. If additional taxes are to be imposed under the Senate version of the bill, many of them will be forced out of business.

The result is that what we are doing in the Senate is punishing people who have no other means of transportation—such as housewives, clerks, stenographers, elevator operators, and others who must use the transit systems in order to perform necessary household tasks and get from their homes to their jobs.

If we do not change the Senate committee provision, and adopt the provision as passed by the House we shall punish the people to whom I referred by depriving them of the only type of transportation available to them.

The Senator from Oregon has already shown—and it seems to me very persuasively—why this particular amendment should be adopted. The city transit companies do not participate to any great extent in the highway program. Only 15 percent of the mileage of the highway program will be used in any fashion by them. So we are actually taxing them for something which they cannot afford and do not substantially use.

I hope the Senate conferees will be willing to accept the House provision in the conference. I understand from the ruling of the Chair, that it would not be in order to offer the amendment now. I should like to confer further with the Senator from Oregon to determine what is the best course of action to follow in offering the amendment later.

Mr. MORSE. Mr. President, I was advised, apparently erroneously, that the Senate was almost at the point of

the third reading of the bill, and that it was almost ready for final passage. I had my notes on the desk. I knew that the question had not been covered. That was the reason why I raised it.

In view of the comments of the Senator from Florida, I withdrew the amendment at this time, to await the decision of the Senator from Florida as to whether or not he will offer the amendment. Unless good cause is shown to me in private conversation between now and the time of final action, I serve notice that if the amendment is not offered by the Senator from Florida I shall offer it again. I believe that this is such a universal problem across the country that we ought to ask that the amendment be taken to conference, because I believe that the transit industry is entitled to that consideration from the Senate.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HUMPHREY. Is it not true that we have also the complication of municipally owned transit systems as well as privately owned transit systems?

Mr. MORSE. That is true.

Mr. HUMPHREY. There is involved the question of the payment of taxes. No taxes are paid by municipally owned corporations, while on the other hand private systems must pay.

Mr. MORSE. If we do not charge the municipally owned systems we discriminate against the private systems.

Mr. HUMPHREY. That is true. The record indicates that most privately owned transit systems have a tough time making ends meet.

Mr. MORSE. There is no question about it.

Mr. HUMPHREY. More and more of them are going into the hands of municipalities.

Mr. MORSE. That is true.

Mr. HUMPHREY. I concur in the arguments made by the Senator from Florida and the Senator from Oregon. I have received a number of communications with respect to this particular proposal. I was not sure what the final judgment should be, but I think a difficult problem is posed, and one which could be reconciled by giving some special consideration to this kind of transportation.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BYRD. Municipal traction companies are not taxed.

Mr. HUMPHREY. That is my understanding.

Mr. BYRD. I understood the Senator to say that they were taxed.

Mr. HUMPHREY. No; I am sorry.

Mr. MORSE. The Senator from Minnesota was pointing out the discrimination against private transit companies in favor of publicly owned transit companies. I do not think such discrimination is fair or equitable.

Mr. SMATHERS. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. SMATHERS. Under present law municipally owned transit companies do not pay a gasoline tax.

Under the proposal of the Senate Finance Committee privately owned transit companies in addition to the new use tax would have an additional 1-cent gasoline tax. In effect, we would be telling every privately owned local transit company, "You might as well go out of business and sell to some Government agency. We are in fact discriminating against the private enterprise system by giving the municipally owned transit company an advantage which a privately owned company may not enjoy.

Mr. MORSE. Such a provision would discriminate unfairly against the private company so far as the principle is concerned; and it would discriminate against privately owned companies in relation to publicly owned companies, which are operating on the basis of municipal bonds which have been sold to private investors. Such bondholders have an advantage over the bondholders of private companies.

I withdraw the amendment for the time being, with notice that I may offer it later.

Mr. BYRD. Mr. President, has consideration of title I of the bill been completed?

The PRESIDING OFFICER. The Chair informs the Senator from Virginia that it has not been completed.

Mr. GORE. Mr. President, may we complete consideration of title I?

The PRESIDING OFFICER. The amendment of the Committee on Public Works to title I is open to further amendment. If there be no further amendment to be proposed to the committee amendment, the question is on agreeing to the committee amendment, as amended.

Mr. KNOWLAND. The committee amendment to title I, as I understand.

The PRESIDING OFFICER. To title I of the bill; that is correct.

The committee amendment to title I, as amended, was agreed to.

Mr. BYRD. Mr. President, I have a brief statement to make with respect to title II of the bill.

The PRESIDING OFFICER. The Secretary will state the first amendment of the Committee on Finance in title II.

The first amendment of the Committee on Finance was under the heading "Title II—Highway Revenue Act of 1956," on page 51, line 6, after the word "gallon", to insert a comma and the following:

And by adding after paragraph (2) the following "In the case of a liquid taxable under this subsection sold for use or used as a fuel in a diesel-powered highway vehicle which (at the time of such sale or use) is not registered, and not required to be registered, for highway use under the laws of any State or foreign country (or, in the case of a diesel-powered highway vehicle owned by the United States, which is not used on the highway), the tax imposed by paragraph (1) or by paragraph (2) shall be 2 cents a gallon in lieu of 3 cents a gallon. If a liquid on which tax was imposed by paragraph (1) at the rate of 2 cents a gallon by reason of the preceding sentence is used as a fuel in a diesel-powered highway vehicle which (at the time of such use) is registered, or required to be registered, for highway use under the laws of any State or foreign country (or, in the case of a diesel-powered highway vehicle owned by the United States, which is used on the highway), a tax of 1 cent a gallon shall be imposed under paragraph (2)."

Mr. BYRD. Mr. President, I should like to ask permission to insert in the RECORD at this point a statement I have prepared explaining title II, the financing provisions of the highway bill. I shall, however, summarize orally the financing features of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BYRD

I wish to call up for consideration of the Senate title II of H. R. 10660. This title provides the revenue to meet the expenditures of the Interstate Federal Highway System and also the expenditures for the primary, secondary, and urban roads provided under title I of the bill.

To provide the revenue for carrying out title I it is necessary to increase the rates of certain fuel taxes and levy new taxes. Our committee bill has adopted the increases and new taxes provided by the House bill with the exception of a change made in the annual use tax applied to trucks and buses. These taxes are as follows:

INCREASES UNDER TITLE II

1. A 1 cent a gallon increase in the gasoline, diesel, and fuel taxes is provided, raising these taxes from 2 cents a gallon to 3 cents a gallon.

2. The tax on tires is increased from 5 cents a pound to 8 cents a pound, and a new tax of 3 cents a pound is imposed on camelback.

3. An increase of 2 percentage points is provided in the manufacturer's tax on trucks, buses, and truck trailers. The rate of tax on these articles under the present law would have reverted to 5 percent on April 1, 1957. Both the House bill and your committee bill provide an overall rate of 10 percent and continue such rate in effect until July 1, 1972, when the 5-percent rate becomes applicable again.

4. A new use tax on trucks and buses of \$2.50 per 1,000 pounds of taxable weight is imposed. The House bill applied a tax of \$1.50 per 1,000 pounds of taxable weight to all trucks weighing over 26,000 pounds. Thus, if a truck weighed slightly over 26,000, it was subject to the full tax of \$1.50 on entire taxable gross weight. In the opinion of your committee, this created a discrimination against those trucks which were just over 26,000 pounds. To meet this problem the Senate Finance Committee raised the rate from \$1.50 to \$2.50, but applied it only to the excess taxable weight over 26,000 pounds. The following table shows the tax effect under the two bills in the case of trucks of different weights:

TABLE I

Truck weight	Tax under—	
	House bill	Senate amendment
28,000 pounds.....	\$42.00	\$5.00
30,000 pounds.....	45.00	10.00
35,000 pounds.....	52.50	22.50
40,000 pounds.....	60.00	35.00
55,000 pounds.....	82.50	72.50
65,000 pounds.....	97.50	97.50
70,000 pounds.....	105.00	110.00

Under the House bill, the increases in the gasoline and diesel fuel taxes are limited to such fuel used in highway vehicles. In general, a highway vehicle is a vehicle which if new would be subject to the manufacturers' excise tax on the sale of trucks, buses, passenger cars, etc., or which is a motorcycle. In the case of diesel fuels, the existing 2 cents a gallon tax applies only in the case of liquids used as a fuel in a diesel-powered highway vehicle. The increases will, therefore, under the House bill apply to gasoline

or diesel fuel sold for use in a highway vehicle, including a diesel-powered highway vehicle, whether or not the vehicle is actually used on the highway.

In the case of special motor fuels, the tax under the present law applies only with respect to the special motor fuels sold for use in a motorboat, airplane, or motor vehicle. Under the House bill, the increased tax is limited to the special fuel used in motor vehicles. However, it was pointed out in the hearings before our committee that under the House bill, the increase of 1 cent a gallon tax on special motor fuels will apply, whether or not the motor vehicle is of the highway type. Therefore, in the case of a motor vehicle not of the highway type a different rule will be applied to the purchase of special fuels than is applied to the use of gasoline and diesel fuels. Your committee has amended the law to apply the special increased fuel taxes to a highway vehicle as distinguished from a motor vehicle.

The attention of your committee was called to the fact that there are many vehicles of the highway type which never use the highway. Your committee bill therefore has amended the House bill to provide that the 1 cent increase in gasoline, diesel fuel, and special motor fuel will apply only to vehicles registered (or required to be registered) for use on the public highways. Thus, the same rule which was applied in the House bill to the use tax on trucks and buses is extended to the fuel taxes by your committee's bill.

The increase in the tax on tires under both bills applies only to those used on highway vehicles. In this respect, your committee found it impracticable to apply the tax on tires of the type used on highway vehicles to only tires used on registered vehicles. This is because a tire of the type used on a highway-type vehicle may be used either on a registered or an unregistered vehicle.

Under the Senate bill, as well as under the House bill, the revenues provided will cover a period of 16 years, that is, until July 1, 1972. The road program under title I is established on a 13-year period.

The total receipts to be used for carrying out title I of the bill amount to \$38,202,000,000, of which \$14,518,000,000 represents new or increased taxes and \$23,684,000,000 represents existing taxes. This is shown by the receipts of the trust fund for the 16-year period. At this point, I insert the following table showing the details as to these receipts:

TABLE II.—Receipts over 16-year period from new or increased taxes

	Million
Gasoline.....	\$9,359
Diesel fuel.....	267
Tires.....	1,909
Tread rubber.....	180
Trucks, buses, and trailers.....	2,313
Truck use tax.....	490
Total.....	14,518

TABLE III.—Receipts over 16-year period from present law taxes

	Million
Gasoline.....	\$19,561
Diesel fuel.....	535
Tires.....	3,435
Tubes.....	153
Total.....	23,684

TABLE IV.—Total tax receipts allocated to highway trust fund over 16-year period

	Million
Total.....	\$38,202
New or increased taxes.....	14,518
Present law taxes.....	23,684

HIGHWAY TRUST FUND

Both the House and your committee's bill provide for the highway program to be handled through a Highway Trust Fund.

All of the new and increased taxes provided by the bill are to be paid from this fund. As I previously indicated these are expected to amount to \$14.5 billion over the 16-year period up to 1972. In addition the present taxes on gasoline, diesel fuel and tires and tubes go into this fund. Revenue from these sources is expected to amount to \$23.7 billion over the period making a grand total for trust fund revenues of \$38.2 billion.

Expenditures from the fund will include the authorizations made for the regular highway Federal aid program as well as those for the Interstate System. The new authorizations under title I are as follows:

	Million
Regular aid program.....	\$3,800
Interstate System.....	24,750
Total.....	28,550

In addition existing authorizations, which also will be paid from the fund, amount to about \$2 billion, bringing the total authorized expenditures from the fund up to \$30.5 billion.

The trust fund will operate in the same manner as the old-age and survivors insurance trust fund under existing law. Fund balances will be invested in Government bonds bearing an average interest rate and any amounts borrowed by the trust fund will also bear this same rate of interest.

LIMITATIONS ON APPORTIONMENTS OUT OF THE TRUST FUND

In section 209 (b) of the bill, it is declared to be the intention of Congress that if it hereafter appears—

"(1) that the total receipts of the trust fund (exclusive of advances under subsection (d)) will be less than the total expenditures from such fund (exclusive of repayments of such advances); or

"(2) that the distribution of the tax burden among the various classes of persons using the Federal-aid highways, or otherwise deriving benefits from such highways, is not equitable, the Congress shall enact legislation in order to bring about a balance of total receipts and total expenditures, or such equitable distribution, as the case may be."

While over the entire 16-year period it is estimated that receipts will exceed expenditures, there will be years in which expenditures will exceed receipts after the program gets fully underway. This is shown by the following table:

TABLE V.—Years in which the expenditures of the trust fund exceed the tax receipts of the fund

	[In millions]		
	Tax receipts minus highway expenditures	Interest credit (+) or charge (—)	Net annual credit (+) or charges (—)
1959.....	—\$2	+\$18	+\$16
1960.....	—509	+13	—496
1961.....	—630	—	—630
1962.....	—296	—10	—306
1963.....	—26	—14	—40

To give assurance that no deficit will develop in the highway trust the committee has added a section placing a limitation on disbursements from the highway trust fund for apportionment to the States when the Secretary of the Treasury determines there is a deficiency in the fund. This will apply only in the case of apportionments to the Interstate System. Under this section, the Secretary of the Treasury is to advise the Secretary of Commerce, who is then to reduce the funds available for apportionment to the States with respect to the Interstate System. This reduction in the apportionments for the Interstate System is to be made among the States on a pro rata basis. Sub-

sequently, as the Secretary of the Treasury estimates that interstate highway trust fund balances will become available to meet these apportionments to the States for the Interstate Highway System, the amounts previously withheld are to be apportioned by the Secretary of Commerce to the various States.

REFUND PROCEDURES

Your committee amended the House bill in the case of the gasoline tax to provide direct refunds of the 1-cent additional tax to purchasers of gasoline for use in other than registered highway vehicles. The procedure followed is similar to that already provided for farmers. Under the House bill exemptions were provided for this 1-cent tax where purchases were made direct from the producer. Where the gasoline was purchased from wholesale or retail dealers under the House bill refunds were provided but these required processing up through the refiner of the gasoline. The direct refund provided by your committee's bill short-cuts much of this paperwork.

Your committee's bill continues the exemption and refund procedure provided in the House bill, however, in the case of special motor fuels and also applies it in the case of diesel fuel, where these fuels are used in other than registered highway vehicles. These taxes are retail taxes instead of manufacturers' taxes and, therefore, the exemption and refund procedure followed in the House bill does not involve the same amount of paperwork which would be involved in the case of the manufacturers' tax on gasoline.

LOCAL TRANSPORTATION SYSTEM

One of the problems confronting the committee was the exemption granted in the House bill for local transportation systems. This exemption applies not only to the fuel taxes but also to the special tax on trucks and buses in excess of 26,000 pounds.

Enactment of this bill will lead to the construction, on the Interstate System, of about 36,900 miles of highway. Of this, 31,200 miles will be rural roads at an average cost of a little over \$400,000 per mile; and about 5,700 miles will be urban highways at an average cost of about \$2,625,000 per mile. This should virtually complete the Interstate System program.

On the Federal-aid primary and secondary systems the program authorized by the bill will construct about 248,000 miles of rural roads at an average cost of \$67,000 per mile; and about 8,750 miles of urban highways and streets at an average cost of \$814,000 per mile.

The Interstate System will, after its completion, accommodate about 20 percent of all urban travel. Of the travel on this system, about 21 percent will be interstate travel and 79 percent will be intrastate, mainly local.

On other Federal-aid roads in urban areas only about 6 percent of the traffic is interstate, and 94 percent is intrastate, mostly between points within the urban area.

Travel by commercial buses constitutes 0.6 percent of the total travel on city streets. Presumably, this would be diverted to the Interstate System in about the same proportion as other traffic (20 percent). In any case, buses would benefit from relief of congestion on other main routes brought about by diversion of traffic to the Interstate System.

Furthermore, I believe that to exempt local transportation systems from the increased taxes and apply them to taxicabs will cause a real discrimination against taxicabs. Since each will receive substantial benefit from this increased tax, each should be willing to contribute to the increased burden caused thereby.

FLOOR-STOCK TAXES AND REFUNDS

Both the House and your committee's bill provide for floor-stock taxes on the inventories in the hands of dealers on July 1, 1956, the date when the various increases or new taxes become effective under this bill. These

floor-stock taxes are necessary to prevent dealers, in order to avoid the new taxes, from stocking up on goods just before the new tax rates become effective. Also, these taxes will place all dealers in the same position on the date of the tax increase—that is, in all cases they will make their sales from tax-paid inventory. The floor-stock taxes are provided with respect to:

(1) The 2-percentage-point increase in the tax on trucks and buses, from 8 percent to 10 percent.

(2) The 3-cents-a-pound increase in the tax on highway-vehicle-type tires.

(3) The new 3-cents-a-pound tax on camelback.

(4) The 1 cent additional tax on gasoline, although in this case the tax does not apply to gasoline stocks of retail dealers.

Your committee has added a provision to make it clear, however, that these floor stock taxes need not be paid until 3 months after the date they are imposed. The House bill contained no date for paying these taxes and as a result taxpayers were concerned as to what time for payment the regulations might provide.

The bill, both as it passed the House and as approved by your committee, also provides for floor stock refunds for dealers in 1972 when the tax increases provided by this bill are scheduled for reduction. These refunds are to be available with respect to the same items as in the case of the floor stock taxes. These refunds will remove the discrimination against dealers who happen to have large stocks of items on hand on the rate reduction date on which tax has been paid at the higher rates.

CLOSING STATEMENT

The benefits to be derived from this bill are immeasurable.

Our highway systems operated by all levels of government from county and township to Federal constitute the largest single public facility in America. They are essentially an extension of our vast private enterprise production and distribution system on which the American economy rests. As such they are as important to this free-enterprise system as the factories and mines and farms and stores themselves, because they form one of the important mediums which link these units of the system together and permit it to function as a single unit. It is not the movement of raw materials and finished products alone which must be transported that is to be considered but of equal importance we must consider the movement of people between homes and places of employment and to and from the market places and other places which constitute our accepted economic and social pattern of living. It is in this transport of people—individual people—or small groups of 2, 3, 4, or a couple of dozen that highways are the only feasible and economical form of transport.

I say it is important because studies show that at least 4 out of every 5 of our 65 million workers get to work over the highways—the small remainder either walk, work in their homes, or use rail facilities. Most of this is through personalized transportation, that is, the family automobile, rather than mass forms of transport such as buses or trains. In our larger cities this personalized transport rather than so-called mass forms has become almost a necessity because of the wide spread of our people into the suburbs where the concentration of persons is so much smaller than is the case in heavily built up areas of apartments and flats and row houses. This thin spread of population to the suburbs (which has characterized our city growth of recent years, and which undoubtedly will continue, and is a good thing for many reasons) makes the private automobile essential as a part of our modern economy.

While it solves some of the problems, it also creates others. I mean traffic congestion, of course, and I don't have to explain what this is to any of you for all of us to have been and are experiencing it every day—morning, noon, and night. As an example, traffic in the rush hours of our big cities moves no faster than a man can walk. On the Shirley Highway during rush hours adjacent to Washington, the average actual speed is only about 15 miles per hour instead of the 45 to 55 for which it is designed. The reason it is so slow is because there is only one such highway available in this area and it is just not enough to meet the demand.

This bill proposes to take the largest step forward in remedying the Shirley Highway congestions in Washington and all the other similar places over the country. It will not correct all of them to be sure, but it is big enough to furnish the major portion of the relief that is needed. The problem is big and the cost of course seems also big. The amount of money we are talking about is the largest single sum ever proposed by this Congress except for war. But the large figures referred to in the press and in this bill should be brought down to the size which we as individuals can understand more readily. For each of us as average passenger-car owners, the annual price tag is only \$8.80 or about 18 cents a week. And that 18 cents from the tens of millions of passenger cars pays the big share of the large and spectacular figures you are hearing about in connection with this program. But actually the 18 cents is not a cost at all but rather an investment which returns at least that much dividend—even more. We are told—and the figures look reasonable—that the savings in automobile liability insurance premiums alone resulting from fewer accidents—will equal this small charge. This does not even take into account the savings in gasoline, tire and brake wear and engine repair resulting from fewer stops and starts of the average car. You can make your own calculation from a figure of about a penny as the average cost of one start and stop at a traffic light or in a long congested waiting line of traffic. I say we are already paying the bill for the highway program proposed in this bill but we don't have the roads. This bill proposes to convert these losses into a usable highway system for our people's general benefit and enjoyment.

The traffic relief that the program will bring will extend to all our people, particularly to our metropolitan areas. Fifty-five percent of all the funds provided for the Interstate System are expected to go into metropolitan area relief and 25 percent of the funds for the Federal aid primary and secondary systems and their extensions into urban areas. In all, about 45 percent of all the Federal funds to be expended in this program will go in urban areas—but this is in about the same ratio as payments would be made by the users themselves—and about the same ratio in which vehicles use our public streets and highways. The bill provides substantial programs in all classes of highways, from the farm-to-market roads to the big city expressways—and I think in a reasonable relation to the benefits received by the different users.

Mr. BYRD. Mr. President, the bill, over the 16-year period from July 1, 1956, to June 30, 1972, will raise \$14,518,000,000 in new revenue.

This revenue will be raised from:

First. A 1-cent increase in the present 2-cent tax on gasoline and other motor fuels;

Second. A 3-cent increase in the present 5-cent tax on tires and a new 3-cent tax on camelback;

Third. An increase to 10 percent of the 8-percent manufacturers' tax on trucks and buses; and

Fourth. A new annual use tax of \$2.50 on trucks and buses for each 1,000 pounds over 26,000.

The new gasoline and other fuel taxes are limited to fuel for use in registered highway vehicles. Limiting this tax to registered highway vehicles is an amendment made by the Finance Committee designed to limit the new tax to the extent administratively feasible to highway use.

The Finance Committee also adopted an amendment in the case of gasoline used in other than registered highway vehicles to provide direct refunds of the 1-cent additional tax along the lines Congress has already provided in the case of gasoline used on farms. This was a substitute for the House provision which would have provided exemptions or refunds which would have to be processed up through the producers and would involve a lot of paperwork.

The Finance Committee also adopted an amendment removing the exemptions from the new gasoline, and truck, and bus use taxes provided by the House bill for the local transit systems. These systems use the urban highways extensively and I have been informed that according to present estimates 55 percent of the interstate funds will be spent in urban areas. If we were to exempt these systems because they are in bad financial shape, every other hard-pressed business using the highways could make a similar claim for exemption.

The Finance Committee, to eliminate discrimination against trucks or buses weighing just over 26,000 pounds, modified somewhat the new tax provided by the House bill on the use of trucks and buses. The House bill provided a tax of \$1.50 for each 1,000 pounds of weight in the case of loaded vehicles weighing over 26,000 pounds. The Finance Committee amended the bill to limit the tax to the weight over 26,000 pounds, but to regain part of the revenue this would lose, raised the tax rate from \$1.50 to \$2.50 per 1,000 pounds.

The \$14.5 billion in new revenue raised by this bill, together with the present taxes on gasoline, diesel fuel, and tires and tubes are to go into a highway trust fund created by this bill. The present law revenues going into this fund amount to \$23.7 billion over the period up to 1972. This means that total trust fund tax revenues will amount to \$38.2 billion in the 16-year period.

Expenditures from the fund as authorized by title I of this bill and by present law which will come out of this fund amount to \$30.5 billion, \$5.5 billion under the regular road program and \$25 billion under the Interstate System. Thus, authorized expenditures under the bill will be \$7.7 billion below expected revenues. However, this only takes into account authorizations for the regular road program for 5 of the 13 years.

The Finance Committee has adopted an amendment to give assurance that no deficit will develop in this trust fund. The Secretary of the Treasury is to estimate the revenues of the fund from time to time and if they are less than the apportionments for any year or years, these apportionments are to be reduced on a pro rata basis so no deficiency will de-

velop. This reduction in apportionments, however, is to be limited to those for the Interstate System. Moreover, as more funds become available, the apportionments previously withheld will be restored.

Mr. President, I ask unanimous consent that the amendments of the Committee on Finance to title II be agreed to en bloc and that title II as thus amended be treated as original text for purpose of further amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments to title II, agreed to en bloc, are as follows:

Under the heading "Title II—Highway Revenue Act of 1956," on page 51, line 6, after the word "gallon," it is proposed to insert a comma and "and by adding after paragraph (2) the following: 'In the case of a liquid taxable under this subsection sold for use or used as a fuel in a diesel-powered highway vehicle which (at the time of such sale or use) is not registered, and not required to be registered, for highway use under the laws of any State or foreign country (or, in the case of a diesel-powered highway vehicle owned by the United States, which is not used on the highway), the tax imposed by paragraph (1) or by paragraph (2) shall be 2 cents a gallon in lieu of 3 cents a gallon. If a liquid on which tax was imposed by paragraph (1) at the rate of 2 cents a gallon by reason of the preceding sentence is used as a fuel in a diesel-powered highway vehicle which (at the time of such use) is registered, or required to be registered, for highway use under the laws of any State or foreign country (or, in the case of a diesel-powered highway vehicle owned by the United States, which is used on the highway), a tax of 1 cent a gallon shall be imposed under paragraph (2).'"

On page 52, after line 3, to strike out:

"In the case of a liquid sold for use or used as a fuel for the propulsion of a motorboat or airplane, the tax imposed by paragraph (1) or by paragraph (2) shall be 2 cents a gallon in lieu of 3 cents a gallon. If a liquid on which tax was imposed by paragraph (1) at the rate of 2 cents a gallon by reason of the preceding sentence is used as a fuel for the propulsion of a motor vehicle, a tax of 1 cent a gallon shall be imposed under paragraph (2)."

And in lieu thereof, to insert:

"In the case of a liquid taxable under this subsection sold for use or used otherwise than as a fuel for the propulsion of a highway vehicle which (at the time of such sale or use) is registered, or required to be registered, for highway use under the laws of any State or foreign country (or, in the case of a highway vehicle owned by the United States, which is used on the highway), the tax imposed by paragraph (1) or by paragraph (2) shall be 2 cents a gallon in lieu of 3 cents a gallon. If a liquid on which tax was imposed by paragraph (1) at the rate of 2 cents a gallon by reason of the preceding sentence is used as a fuel for the propulsion of a highway vehicle which (at the time of such use) is registered, or required to be registered, for highway use under the laws of any State or foreign country (or, in the case of a highway vehicle owned by the United States, which is used on the highway), a tax of 1 cent a gallon shall be imposed under paragraph (2)."

On page 53, line 8, after the word "of," to strike out "subsection" and insert "subsections (a) and (b)."

On page 56, at the beginning of line 3, to strike out "(a) Increase in rate: Section", and insert "Section"; after line 8, to strike out:

"(b) Reduced rate in certain cases: Under regulations prescribed by the Secretary or

his delegate, in the case of gasoline sold by the producer or importer thereof, or by any producer of gasoline, to any person for use by such person otherwise than as a fuel in a highway vehicle, the tax imposed by subsection (a) shall be 2 cents a gallon in lieu of 3 cents a gallon. This subsection shall not apply to gasoline which (within the meaning of pars. (1), (2), and (3) of sec. 6420 (c)) is sold for use on a farm for farming purposes.

"(c) Rate reduction: On and after July 1, 1972—

"(1) the tax imposed by this section shall be 1½ cents a gallon; and

"(2) subsection (b) shall not apply."

And insert:

"(b) Rate reduction: On and after July 1, 1972, the tax imposed by this section shall be 1½ cents a gallon."

At the top of page 57, to strike out:

"(b) Technical amendment: Section 6420 (a) (relating to gasoline used on farms) is amended by striking out '4081' in paragraph (2) and inserting in lieu thereof '4081 (a).'"

On page 57, after line 10, to strike out:

"(a) Imposition of tax: A tax is hereby imposed on the use of any highway motor vehicle which (together with the semitrailers and trailers customarily used in connection with highway motor vehicles of the same type as such highway motor vehicle) has a taxable gross weight of more than 26,000 pounds, at the rate of \$1.50 a year for each 1,000 pounds of taxable gross weight or fraction thereof."

And in lieu thereof, to insert:

"(a) Imposition of tax: There is hereby imposed on the use of any highway motor vehicle a tax at the rate of \$2.50 a year for each 1,000 pounds of taxable gross weight or fraction thereof in excess of 26,000 pounds of taxable gross weight."

On page 58, line 4, after the word "registered", to insert a comma and "or, in the case the highway motor vehicle is owned by the United States, by the Department or agency of the United States operating such vehicle."

On page 60, after line 16, to strike out:

"(c) Certain transit type buses: Under regulations prescribed by the Secretary or his delegate, no tax shall be imposed by section 4481 on the use of any bus which is of the transit type (rather than of the intercity type) by a person who, for the last 3 months of the preceding year (or for such other period as the Secretary or his delegate may by regulations prescribe for purposes of this subsection), met the 60-percent passenger fare revenue test set forth in section 6416 (b) (2) (L) (1) as applied to the period prescribed for purposes of this subsection."

On page 63, line 13, after the word "vehicles", to insert "(as defined in section 4072 (c))."

On page 64, line 7, after "(a)", to strike out "(3)."

On page 68, after line 2, to strike out:

"(J) In the case of a liquid in respect of which tax was paid under section 4041 (b) (1) at the rate of 3 cents a gallon, used or resold for use as a fuel for the propulsion of a motorboat or airplane; except that the amount of such overpayment shall not exceed an amount computed at the rate of 1 cent a gallon."

And in lieu thereof, to insert:

"(J) In the case of a liquid in respect of which tax was paid under section 4041 (a) (1) at the rate of 3 cents a gallon, used or resold for use as fuel in a diesel-powered highway vehicle which (at the time of such use or resale) is not registered, and not required to be registered, for highway use under the laws of any State or foreign country (or, in the case of a diesel-powered high-

way vehicle owned by the United States, which is not used on the highway); and, in the case of a liquid in respect of which tax was paid under section 4041 (b) (1) at the rate of 3 cents a gallon, used or resold for use otherwise than as a fuel for the propulsion of a highway vehicle which (at the time of such use or resale) is registered, or required to be registered, for highway use under the laws of any State or foreign country (or, in the case of a highway vehicle owned by the United States, which is used on the highway); except that the amount of any overpayment by reason of this subparagraph shall not exceed an amount computed at the rate of 1 cent a gallon."

On page 69, after line 5, to strike out:

"(K) In the case of gasoline in respect of which tax was paid under section 4081 at the rate of 3 cents a gallon, used or resold for use otherwise than as a fuel in a highway vehicle; except that (1) the amount of such overpayment shall not exceed an amount computed at the rate of 1 cent a gallon, and (2) this subparagraph shall not apply in respect of gasoline which was (within the meaning of paragraphs (1), (2), and (3) of section 6420 (c)) used or resold for use on a farm for farming purposes;

"(L) In the case of a liquid in respect of which tax was paid under section 4041 or 4081 at the rate of 3 cents a gallon, used in vehicles while engaged in furnishing scheduled common carrier public passenger land transportation service along regular routes; except that (1) this subparagraph shall apply, in respect of any liquid used during any calendar quarter or such other period as the Secretary or his delegate may by regulations prescribe, only if at least 60 percent of the total passenger fare revenue (not including the tax imposed by section 4261, relating to the tax on transportation of persons) derived by such person during such period from scheduled service along such regular routes was attributable to fares which were exempt from the tax imposed by section 4261 by reason of section 4262 (b) (relating to the exemption for commutation travel, etc.), and (2) the amount of such overpayment for such period shall not exceed an amount which bears the same ratio to the amount computed at the rate of 1 cent a gallon as the passenger fare revenue derived during such period from such fares exempt from tax for such scheduled service bears to the total passenger fare revenue (not including the tax imposed by section 4261) derived during such period for such scheduled service."

On page 70, at the beginning of line 19, to strike out "(M)" and insert "(K)"; in line 23, after the word "vehicles", to insert "(as defined in section 4072 (c)), unless credit or refund of such tax is allowable under subsection (b) (3)."

Beginning at the top of page 71, to insert:

"(c) Payments to ultimate purchasers: Subchapter B of chapter 65 (relating to rules of special application for abatements, credits, and refunds) is amended by renumbering section 6421 as 6422 and by inserting after section 6420 the following new section:

"Sec. 6421. Gasoline used for certain non-highway purposes

"(a) Nonhighway uses: If gasoline is used otherwise than as a fuel in a highway vehicle which (at the time of such use) is registered, or required to be registered, for highway use under the laws of any State or foreign country (or, in the case of a highway vehicle owned by the United States, which is used on the highway), the Secretary or his delegate shall pay (without interest) to the ultimate purchaser of such gasoline an amount equal to 1 cent for each gallon of gasoline so used."

"(b) Filing of claims:

"(1) Period covered; general rule: Except as provided in paragraph (2), not more than 1 claim may be filed under subsection (a)

by any person with respect to the gasoline used during the 1-year period ending on June 30 of any year.

"(2) Exception: A claim may be filed under subsection (a) by any person with respect to the gasoline (for which he is entitled to payment under subsection (a)) used during the period ending with any calendar quarter, if the claim is filed with respect to the use of at least 100,000 gallons of gasoline. A claim may be filed under subsection (a) pursuant to this paragraph with respect to the use of less than 100,000 gallons of gasoline, if filed—

"(A) for a period of less than 1 year,

"(B) for a period ending on June 30 of any year, and

"(C) by a person who has filed one or more claims under the first sentence of this paragraph with respect to gasoline used during the portion of such year preceding the period for which claim is filed under this sentence.

"(3) Time for filing: No claim shall be allowed under subsection (a) with respect to gasoline used during the 1-year period ending on June 30 of any year, or during any period ending with any calendar quarter ending with or within such 1-year period, unless filed on or before September 30 of the year in which such 1-year period ends.

"(c) Meaning of gasoline: For purposes of this section, the term "gasoline" has the meaning given to such term by section 4082 (b).

"(d) Exempt sales; other payments or refunds available:

"(1) Exempt sales: No amount shall be paid under this section with respect to any gasoline which the Secretary or his delegate determines was exempt from the tax imposed by section 4081. The amount which (but for this sentence) would be payable under this section with respect to any gasoline shall be reduced by any other amount which the Secretary or his delegate determines is payable under this section, or is refundable under any provisions of this title, to any person with respect to such gasoline.

"(2) Gasoline used on farms.—This section shall not apply in respect of gasoline which was (within the meaning of paragraphs (1), (2), and (3) of section 6420 (c)) used on a farm for farming purposes.

"(e) Applicable laws:

"(1) In general: All provisions of law, including penalties, applicable in respect of the tax imposed by section 4081 shall, insofar as applicable and not inconsistent with this section, apply in respect of the payments provided for in this section to the same extent as if such payments constituted refunds of overpayments of the tax so imposed.

"(2) Examination of books and witnesses: For the purpose of ascertaining the correctness of any claim made under this section, or the correctness of any payment made in respect of any such claim, the Secretary or his delegate shall have the authority granted by paragraphs (1), (2), and (3) of section 7602 (relating to examination of books and witnesses) as if the claimant were the person liable for tax.

"(f) Regulations: The Secretary or his delegate may by regulations prescribe the conditions, not inconsistent with the provisions of this section, under which payments may be made under this section.

"(g) Effective date: This section shall apply only with respect to gasoline purchased after June 30, 1956, and before July 1, 1972.

"(h) Cross references:

"(1) For reduced rate of tax in case of diesel fuel and special motor fuels used for certain nonhighway purposes, see subsections (a) and (b) of section 4041.

"(2) For civil penalty for excessive claims under this section, see section 6675.

"(3) For fraud penalties, etc., see chapter 75 (section 7201 and following, relating to crimes, other offenses, and forfeitures)."

"(d) Technical amendments:

"(1) Section 6206 (relating to special rules applicable to excessive claims) is amended—

"(A) by striking out 'section 6420' in the heading and inserting in lieu thereof 'sections 6420 and 6421';

"(B) by inserting after '6420' in the first sentence thereof 'or 6421'; and

"(C) by inserting after '6420' in the second sentence thereof 'or 6421, as the case may be.'"

"(2) Section 6675 (relating to excessive claims for gasoline used on farms) is amended—

"(A) by striking out 'For Gasoline Used on Farms' in the heading and inserting in lieu thereof 'With Respect to the Use of Certain Gasoline';

"(B) by inserting after '6420' (relating to gasoline used on farms) in subsection (a) thereof 'or 6421 (relating to gasoline used for certain nonhighway purposes)'; and

"(C) by inserting after '6420' in subsection (b) thereof 'or 6421, as the case may be.'"

"(3) Section 7210 (relating to failure to obey summons) is amended by inserting after 'sections 6420 (e) (2),' the following: '6421 (e) (2).'

"(4) Section 7603 (relating to service of summons) and 7604 (relating to enforcement of summons) and the first sentence of section 7605 (relating to time and place of examination) are each amended by inserting after 'section 6420 (e) (2)' wherever it appears a comma and the following: '6421 (e) (2)'. The second sentence of section 7605 is amended by inserting after 'section 6420 (e) (2)' the following: 'or 6421 (e) (2).'

"(e) Clerical amendments:

"(1) Section 4084 is amended to read as follows:

"Sec. 4084. Cross references.

"(1) For provisions to relieve farmers from excise tax in the case of gasoline used on the farm for farming purposes, see section 6420.

"(2) For provisions to relieve purchasers of gasoline from excise tax in the case of gasoline used for certain nonhighway purposes, see section 6421."

"(2) The table of sections for subpart A of part III of subchapter A of chapter 32 is amended by striking out

"Sec. 4084. Relief of farmers from tax in case of gasoline used on the farm."

and inserting in lieu thereof

"Sec. 4084. Cross references."

"(3) The table of sections for subchapter A of chapter 63 is amended by striking out

"Sec. 6206. Special rules applicable to excessive claims under section 6420."

and inserting in lieu thereof

"Sec. 6206. Special rules applicable to excessive claims under sections 6420 and 6421."

"(4) The table of sections for subchapter B of chapter 65 is amended by striking out

"Sec. 6421. Cross references."

and inserting in lieu thereof

"Sec. 6421. Gasoline used for certain nonhighway purposes."

"Sec. 6422. Cross references."

"(5) Section 6504 is amended by adding at the end thereof the following:

"(14) Assessments to recover excessive amounts paid under section 6421 (relating to gasoline used for certain nonhighway purposes) and assessments of civil penalties under section 6675 for excessive claims under section 6421, see section 6206."

"(6) Section 6511 (f) is amended by adding at the end thereof the following:

"(6) For limitations in case of payments under section 6421 (relating to gasoline used

for certain nonhighway purposes), see section 6421 (b)."

"(7) Section 6612 (c) is amended by striking out 'and' before '6420' and by inserting before the period at the end thereof the following: ', and 6421 (relating to payments in the case of gasoline used for certain nonhighway purposes)."

"(8) The table of sections for subchapter B of chapter 68 is amended by striking out "Sec. 6675. Excessive claims for gasoline used on farms."

and inserting in lieu thereof

"Sec. 6675. Excessive claims with respect to the use of certain gasoline."

On page 84, line 18, after the word "farms", to insert "and for certain nonhighway purposes"; in line 22, after the word "under", to strike out "section 6420 of the Internal Revenue Code of 1954 (relating to amounts paid in respect of gasoline used on farms)" and insert "sections 6420 (relating to amounts paid in respect of gasoline used on farms) and 6421 (relating to amounts paid in respect of gasoline used for certain nonhighway purposes) of the Internal Revenue Code of 1954."

On page 85, after line 21, to strike out:

"(g) Apportionments not affected. Nothing in this section shall limit the amount of the apportionments made under any authorization in title I of this act or in any act heretofore or hereafter enacted which amends or supplements the Federal Aid Road Act approved July 11, 1916."

And in lieu thereof, to insert:

"(g) Adjustments of apportionments—

"The Secretary of the Treasury shall from time to time, after consultation with the Secretary of Commerce, estimate the amounts which will be available in the Highway Trust Fund (excluding repayable advances) to defray the expenditures which will be required to be made from such fund. In any case in which the Secretary of the Treasury determines that, after all other expenditures required to be made from the Highway Trust Fund have been defrayed, the amounts which will be available in such fund (excluding repayable advances) will be insufficient to defray the expenditures which will be required as a result of the apportionment to the States of the amounts authorized to be appropriated for any fiscal year for the construction, reconstruction, or improvement of the National System of Interstate Highways, he shall so advise the Secretary of Commerce and shall further advise the Secretary of Commerce as to the amount which, after all other expenditures required to be made from such fund have been defrayed, will be available in such fund (excluding repayable advances) to defray the expenditures required as a result of apportionment to the States of Federal-aid highway funds for the National System of Interstate Highways for such fiscal year. The Secretary of Commerce shall determine the percentage which such amount is of the amount authorized to be appropriated for such fiscal year for the construction, reconstruction, or improvement of the National System of Interstate Highways and, notwithstanding any other provision of law, shall thereafter apportion to the States for such fiscal year for the construction, reconstruction, or improvement of the National System of Interstate Highways, in lieu of the amount which but for the provisions of this subsection would be so apportioned, the amount obtained by multiplying the amount authorized to be appropriated for such fiscal year by such percentage. Whenever the Secretary of the Treasury determines that there will be available in the Highway Trust Fund (excluding repayable advances) amounts which, after all other expenditures required to be made from such fund have been defrayed, will be available to defray the expenditures required as a result of the apportionment of any Federal-aid highway funds for the National System of Interstate

Highways previously withheld from apportionment for any fiscal year, he shall so advise the Secretary of Commerce and the Secretary of Commerce shall apportion to the States such portion of the funds so withheld from apportionment as the Secretary of the Treasury has advised him may be so apportioned without causing expenditures from the Highway Trust Fund for the National System of Interstate Highways to exceed amounts available in such fund (excluding repayable advances) to defray such expenditures. Any funds apportioned pursuant to the provisions of the preceding sentence shall remain available for expenditure until the close of the third fiscal year following that in which apportioned."

On page 89, line 17, after the word "section", to strike out "108 (k)" and insert "102 (e)."

On page 90, line 13, after the numerals "205", to strike out "(a)"; and in the same line, after the numerals "1956", to strike out the comma and "and the amendment made by section 205 (b) shall apply on with respect to gasoline purchased after June 30, 1956."

During the debate on title I,

Mr. MAGNUSON. Mr. President, will the Senator from Tennessee yield for 2 or 3 minutes to me?

Mr. GORE. I yield.

Mr. MAGNUSON. I make this request inasmuch as the Senator from Tennessee has already been interrupted. The remarks I am about to make are in regard to title II, not title I, which now is under consideration. I am sure that my colleagues understand that I must catch a plane, in order to reach my home State.

Mr. GORE. Mr. President, I yield 2 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized for 2 minutes.

Mr. MAGNUSON. Mr. President, the last plane tonight which I can take, in order to reach my State in time, will leave at 10:50 p. m. I have an amendment relating to title II, section 2, of the bill.

The Senator from Colorado [Mr. ALLOTT] has a substitute for that amendment.

My amendment relates to those who operate vehicles on their own private roads—for instance, a logging road, which is the prime example in my State. My amendment provides that those who build their own roads and operate vehicles on them are not to be taxed for the Federal-aid highway system when they use their own private roads. That is now the case in Washington, Oregon, California, Colorado, and other States.

My amendment provides that the tax shall not apply to tires and to gasoline and diesel fuel when the vehicles are operated on private roads. However, as a practical matter I think such a provision would be difficult to apply.

The Senator from Colorado [Mr. ALLOTT], who is concerned with a similar problem which exists in his section of the country, has a substitute amendment, which would allow exemption from the tax in the case of gasoline and diesel fuels used in vehicles operating on private roads.

When we reach title II, I hope the Senator from Colorado [Mr. ALLOTT] will request that my amendment be read, and

then will ask that his amendment be substituted for it.

I understand that the amendment probably will be acceptable to the Senators in charge of title II of the bill, which deals with the taxation features. The amendment will simply permit such operators to continue in their present status or situation. Obviously we should not levy such a tax on one who uses his own private road.

So the amendment is a very simple one to administer, because it is easy to ascertain definitely the amount of mileage used on a private road and the amount of mileage used on an interstate primary or secondary road.

I wished to make this statement for the RECORD. I am sure the Senator from Colorado will see that my amendment is called up and then will offer his substitute for it.

Mr. ALLOTT. Mr. President, will the Senator from Washington yield to me?

Mr. MAGNUSON. I yield.

Mr. ALLOTT. At the proper time I shall be very happy to see that the amendment of the Senator from Washington to the committee amendment is called up, and then to offer my amendment as a substitute.

Mr. MORSE. Mr. President, will the Senator from Washington yield to me?

Mr. MAGNUSON. I yield.

Mr. MORSE. The Senator from Washington knows that I have been supporting the so-called Magnuson amendment to the committee amendment. The explanation of the Senator from Washington of his amendment and of the substitute to be offered by the Senator from Colorado is perfectly satisfactory to me.

I ask unanimous consent to have certain communications in support of these amendments to the committee amendment inserted at this point in the RECORD, in connection with the amendment of the Senator from Washington [Mr. MAGNUSON], which is to be called up by the Senator from Colorado [Mr. ALLOTT], who will offer a substitute for the Magnuson amendment.

Mr. THYE. Are the communications in support of the Magnuson amendment?

Mr. MORSE. Yes; they are in support of the original Magnuson amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

There being no objection, the telegrams and letters were ordered to be printed in the RECORD, as follows:

REDMOND, OREG., May 29, 1956.

HON. WAYNE MORSE,
Senate Office Building,

Washington, D. C.:

Senate action scheduled Monday or Tuesday on highway user tax bill H. R. 10660. Senator MAGNUSON will offer floor amendment to eliminate discrimination against logging trucks and provide for tax refunds for use of privately owned or maintained roads based on proportionate mileage formula. We feel you should support equitable recognition of our industries' nonhighway use.

TITE KNOT PINE MOULDING.

H. D. BARCLAY, Logging.

DAHL PINE, INC.,

GEO. WAKEFIELD,

Contract Trucking.

PORTLAND, OREG., May 28, 1956.

Re H. R. 10660.

HON. WAYNE MORSE,

United States Senator,

Senate Office Building,

Washington, D. C.:

Urge your support Magnuson amendment which provides for tax refunds for use of privately owned or maintained logging and forest protection roads on proportionate mileage formula. Logging and forest products manufacture is principal industry in Douglas Fir region and discriminatory taxation on private road users to build public highways is not equitable.

W. D. HAGENSTEIN,

Executive Vice President, Industrial Forestry Association.

KLAMATH FALLS, OREG., May 28, 1956.

HON. WAYNE MORSE,

United States Senate,

Washington, D. C.:

The basic theory of H. R. 10660 is that highway users will pay in proportion to their use. Certain aspects of the bill are inconsistent with this theory and would cause to be levied heavy and unjust taxes on the operation using heavy equipment on private roads. In the interests of fairness to all we respectfully urge you to support Senator MAGNUSON's amendment to provide a reduced rate for use on private roads.

WEYERHAEUSER TIMBER CO.,

KLAMATH FALLS BRANCH,

J. B. BISHOP, Branch Manager.

BEND, OREG., May 28, 1956.

Senator WAYNE MORSE, Washington, D. C.:

Imperative to future of Oregon timber industry that you support Magnuson floor amendment to highway user tax bill, H. R. 10660. Amendment will eliminate discrimination against logging trucks and provide tax refunds for use of privately owned or maintained roads based on proportionate mileage formula.

CHAS. M. KREIDER,

Assistant Manager, Brooks Scanlon, Inc.

SPRINGFIELD, OREG., May 28, 1956.

HON. WAYNE MORSE,

United States Senate:

Senator MAGNUSON's proposed amendment to H. R. 10660 is consistent with the intent of legislation to pay for highway construction by the user in proportion to his use of the public road system. This appears to be a sound method of financing new road construction. I urge you to work with the Senator from Washington to assist him in getting his amendment written in as part of this legislation.

J. O. JULSON,

Pulp Division, Weyerhaeuser Timber Co., Springfield, Oreg.

SPRINGFIELD, OREG., May 28, 1956.

HON. WAYNE MORSE,

United States Senate,

Washington, D. C.:

Senator MAGNUSON offering amendment to H. R. 10660 providing reduced rate for us on private roads. Hope you will give this amendment your full support, inasmuch as it vitally affects production of timber, both public and private, throughout State of Oregon. The imposition of pay-as-you-go tax plan on highway users is reasonable but could hardly be extended fairly to nonhighway users. This inequity should be corrected prior to passage of H. R. 10660.

GEORGE H. WEYERHAEUSER,

Manager, Weyerhaeuser Timber Co.

WEYERHAEUSER TIMBER CO.,
Tacoma, Wash., May 17, 1956.

Re H. R. 10660.

Hon. WAYNE MORSE,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: Earlier this year we exchanged correspondence about H. R. 9075, the Highway Revenue Act. This has become title II of H. R. 10660.

As you know, a substantial part of every log truck round trip is on either private roads or on United States Forest Service roads which the operator builds and maintains. We see no equitable basis for imposing highway user taxes upon such operations.

We understand that Senator MAGNUSON is introducing an amendment to H. R. 10660 which would limit the impact of the additional taxes to travel on public highways. We urge your support of this amendment.

Very truly yours,

J. E. NOLAN,
Vice President and General Counsel.

KOGAP LUMBER INDUSTRIES,
Medford, Oreg., May 16, 1956.

The Honorable WAYNE F. MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: Our attention has been drawn to the highway bill, H. R. 10660, now being considered by the Senate Finance Committee. We understand that as it is now constituted this bill will be highly discriminatory against the log trucking industry in that no allowances are made in the gasoline, tires, and new truck taxes for the considerable off-highway, private-road use that log truckers encounter.

We are sure that you are familiar with the situation in Oregon wherein the lumber industry builds, operates, maintains, and uses many, many miles of private roads each year. It should not be the intention of this particular bill to cause inequities such as this and certainly some provisions should be incorporated to give proper credit for off-highway, private-road use.

We hope you will be successful in bringing this to the attention of the Finance Committee with favorable results.

Sincerely,

KOGAP LUMBER INDUSTRIES,
S. V. McQUEEN.

WILLAMETTE VALLEY LUMBER CO.,
Dallas, Oreg., April 25, 1956.

The Honorable WAYNE MORSE,
United States Senate,
Washington, D. C.

MY DEAR SENATOR MORSE: Attached is a blind copy of my letter to Senator BYRD explaining how the Highway Revenue Act of 1956 (H. R. 9075) as it is presently written will treat the logging industry unfairly.

I will appreciate anything you can do toward obtaining wording in this bill that will protect our industry.

Sincerely yours,

WILLIAM SWINDELLS,
President.

APRIL 25, 1956.

The Honorable HARRY FLOOD BYRD,
United States Senate,
Washington, D. C.

MY DEAR SENATOR BYRD: I am advised that the Highway Revenue Act of 1956 (H. R. 9075) will be considered by your committee in the near future. It is my understanding that the purpose of this bill is to require the users of public highways to finance the new road system to the degree that each uses it. This is to be accomplished by means of additional taxes on fuel and tires.

As the bill is presently written these taxes would also apply to those who are not users of public highways such as a large segment of the logging industry and certain other industries. Our company, for example, has

built and maintains many miles of private road on which we operate log trucks and other vehicles. Many of these vehicles are suitable for highway operation and would be taxed accordingly, but in fact, they do not operate on public highways at all. Certainly it is not within the purpose of the act to tax these vehicles along with those which are used on the public highways.

It has been said that the reason for not excluding these off-highway vehicles from these taxes is the difficulty in administering collection. Oregon's present fuel-tax law is administered equitably by refunding the tax on these vehicles and this method could easily be applied on a Federal level. I urge you to give strong consideration to clarifying present language in the act so that those who do not operate vehicles on public highways are not put in the position of having to help pay for them.

Another type of operation which will be affected in a similar manner is those loggers who operate trucks partly on private or Forest Service roads and partly on public highways. These trucks should not have to pay taxes on that part of the road which is not a public highway. This particular matter is also now equitably handled by Oregon's State fuel-tax system in which each truck is required to keep a daily log showing the origin and destination of each load together with the miles it has traveled on public highways and off them. A refund is then granted for those miles not operated on a public highway.

Since both of these problems are now being taken care of at the State level, I feel that they can also be taken care of at the Federal level and your efforts to obtain this will be greatly appreciated.

Sincerely yours,

WILLAMETTE VALLEY LUMBER CO.,
WILLIAM SWINDELLS, President.

KOGAP LUMBER INDUSTRIES,
Medford, Oreg., May 22, 1956.

Senator WAYNE F. MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: Our attention has been drawn to the highway bill H. R. 10660 now being considered by the Senate Finance Committee. We understand that as it is now constituted, this bill will be highly discriminatory against the log trucking industry in that no allowances are made in the gasoline, tire, and new truck taxes for the considerable off-highway, private road use that log trucks encounter.

We are sure that you are familiar with the situation in Oregon wherein the lumber industry builds, operates, maintains, and uses many, many miles of private roads each year. It should not be the intention of this particular bill to cause inequities such as this and certainly some provisions should be incorporated to give proper credit for off-highway, private road use.

We hope you will be successful in bringing this to the attention of the Finance Committee with favorable results.

Sincerely yours,

KOGAP VENEER CO.
LEROY WHITE,
Superintendent.

SOLAR LUMBER CORP.,
Medford, Oreg., May 21, 1956.

Senator WAYNE F. MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: Our attention has been drawn to the highway bill, H. R. 10660, now being considered by the Senate Finance Committee. We understand that as it is now constituted, this bill will be highly discriminatory against the log trucking industry in that no allowances are made in the gasoline, tire, and new truck taxes for the considerable off-highway, private road use that log trucks encounter.

We are sure that you are familiar with the situation in Oregon wherein the lumber industry builds, operates, maintains, and uses many, many miles of private roads each year. It should not be the intention of this particular bill to cause inequities such as this and certainly some provisions should be incorporated to give proper credit for off-highway, private road use.

We hope you will be successful in bringing this to the attention of the Finance Committee with favorable results.

Sincerely yours,

SOLAR LUMBER CORP.,
JERRY S. LAUSMANN,
President.

MR. THYE. Mr. President, let me inquire of the Senator from Washington whether the amendment can be effectively administered in the forest areas of the Nation.

MR. MAGNUSON. Oh, yes.

MR. THYE. Is there a way to determine when such operations will be on either private roads or public roads?

MR. MAGNUSON. That is done now in most of the States.

THE PRESIDING OFFICER. The time of the Senator from Washington has expired.

MR. GORE. Mr. President, I yield 2 additional minutes to the Senator from Washington.

THE PRESIDING OFFICER. The Senator from Washington is recognized for 2 additional minutes.

MR. MAGNUSON. That is done now in all the States involved in this matter; it is done in connection with the State gasoline tax.

It is a very simple matter. No one "cheats" on it, because there is no way to do so. A logging operation which uses 20 miles of a public road and 10 miles of private road simply pays two-thirds of the tax which normally would be paid for the use of 30 miles of public road.

MR. THYE. Is that the practice in Washington?

MR. MAGNUSON. Yes, and in all the other States in which logging operations are conducted.

MR. THYE. I understand that the Senator from Washington proposes that in connection with this Federal law, that situation shall be recognized in the same manner it is recognized in the case of the State of Washington and other States which similarly provide for such tax exemption.

MR. MAGNUSON. Yes, that is all that will be done by my amendment and by the substitute amendment of the Senator from Colorado.

MR. NEUBERGER. Mr. President, will the Senator from Washington yield briefly to me?

MR. MAGNUSON. I yield.

MR. NEUBERGER. I should like to say, for the benefit of the Senator from Minnesota, that the State of Oregon has more forest area and more lumber operations than does any other State. As a former member of the legislature of Oregon, I am familiar with the exemptions which the logging companies have had when their operations have been conducted on their own roads, roads which they have constructed.

It was the opinion of the Public Utilities Commission, which enforces the collection of highway taxes, that there was

very little, if any, serious evasion under the State law.

I think the amendment of the Senator from Washington and the substitute amendment of the Senator from Colorado would be carried out by the same methods of enforcement.

Mr. MAGNUSON. Mr. President, I have been reminded that I stated that the loggers did not cheat because they could not. They do not want to. Even though someone might want to cheat, there would be no way to do so.

Mr. THYE. Mr. President, will the Senator yield for one further question?

Mr. MAGNUSON. I yield.

Mr. THYE. Would this amendment qualify the miner who is operating trucks in the area of the iron ore pits, and over his own system of roads?

Mr. MAGNUSON. Yes. The substitute of the Senator from Colorado, which also involves a great many mining roads, accepts the definition of a highway which is now in the bill, and which defines highways very carefully. The other roads are private roads, operated by mining operators, logging operators, and others. They are the two prime examples. What is now being done in all the States could be done with respect to such operators.

Mr. THYE. I thank the Senator.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as part of my remarks a statement on this subject by the National Lumber Manufacturers Association, together with a statement by Mr. Loran L. Stewart, of Cottage Grove, Oreg., who sets forth the problem very clearly.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT OF THE NATIONAL LUMBER MANUFACTURERS ASSOCIATION WITH RESPECT TO THE REVENUE FEATURES OF H. R. 10660, THE FEDERAL HIGHWAY ACT OF 1956, BEFORE THE SENATE COMMITTEE ON FINANCE, MAY 17, 1956

The lumber industry is greatly concerned over the revenue provisions of this highway bill. The history of the bill shows an intent to make a greatly expanded program of highway construction self-financing through use of so-called highway user taxes on the theory that beneficiaries of an improved highway system should bear the tax burden. To raise the needed revenue, the bill would increase existing Federal excises on gasoline, diesel and special motor fuels, tires and trucks. A new tax would be imposed on retread rubber and an annual fee imposed on use of the highway by heavy trucks. In general, the bill makes a nearly complete assumption—yet an erroneous one—that use of trucks is synonymous with public highway use. It almost completely ignores the fact that trucks may be tools used by people who are not primarily engaged in the business of transportation on the highways. The tax theory of this bill fails to consider that the lumber industry in its logging operations, extending over several hundred million acres of commercial forest land in private and public ownership, uses a vast network of roads built and maintained by the industry itself. Where the industry uses and benefits from the expanded highway program contemplated by this bill, it stands in the same position as all highway users and should bear its share of the tax load. But if tax increases or new taxes are imposed for construction and use of public highways, it is

grossly inequitable to extend such taxes to the use of logging trucks and to the enormous quantities of fuel and rubber consumed by them in operating over private roads.

STATISTICS ON USE OF TRUCKS, FUEL, AND TIRES IN THE LOGGING INDUSTRY

Mototrucks are the backbone of the logging industry. During the past 20 years there has been an almost complete transition of logging methods from use of railroads to use of trucks. A survey made by the Forest Service shows that as of January 1, 1951, the commercial logging industry had on hand 123,618 mototrucks; of these more than 10 percent or 13,194 were over 26,000 pounds GVW. In addition there were in use 32,139 heavy trailers of which more than 10,000 were of the double-axle type. Most of the truck-trailer combinations in use would have weights over 26,000 pounds. Each year the logging industry purchases in the neighborhood of 30,000 new trucks, about 1,500 of which are rated 26,000 pounds GVW and over.

Consumption of gasoline, diesel fuel and special fuels in logging amounts to some 400 million gallons a year. Some of the fuel is consumed in other than highway-type equipment, but it may be conservatively estimated that logging trucks use as much as a quarter of a billion gallons of fuel a year.

More than 800,000 new tires and recaps are mounted annually by the logging industry (not including those on new trucks). At least 75 percent of these are 8.25 in diameter and larger, which means 100 pounds or more weight per tire. In addition, there are vast quantities of mobile logging equipment which, while not operated on the highways, use tires of the type used on highway equipment.

FUEL AND TIRE COSTS ARE A MAJOR ITEM IN LOGGING COSTS

A few basic facts about logging and logging roads clearly reveal that these proposed taxes for use of the highways, in addition to being highly discriminatory, place an undue hardship upon the industry. As pointed out in the forestry handbook of the Society of American Foresters, logging is the key to good forestry and sustained-yield management. Logging costs are usually the major item in the end cost of forest products. They have risen steeply in recent years, much more so than our other costs. Efficient and economical logging is essential to forest management.

A study presented before the Sierra-Cascade logging conference last year by Prof. Henry J. Vaux of the University of California, School of Forestry, revealed that logging and log transport costs were by far the greatest single item of cost in manufacturing lumber in a representative mill—amounting to a third of the total. His study showed that in the past 20 years log transportation costs were up 62 percent as compared to only a 22-percent increase in mill overhead and a 24-percent increase in cost of planing, shipping, and selling. A wartime study of the War Production Board, concerned with the enormous quantities of fuel and rubber consumed in logging, found that forest road hauling cost from 3 to 6 times as much per round-trip mile as hauling over public highways and that cost of fuel and rubber alone may exceed costs of labor, equipment, repair, and depreciation.

A comprehensive study of logging costs by the Forest Service in 1947, made from operators' records, placed the cost of a complete set of tires for 8 different classes of logging truck-trailer combinations in common use in the West at \$1,650 for the lightest class and \$9,400 for the heaviest. The tire cost per mile of operation averaged 12 cents on gravel roads and 16 cents on dirt roads for the lightest class, and 43 cents and 57 cents per mile, respectively, for the heaviest class. Since this study was made there have been very sharp price increases.

The fact that fuel and rubber costs are so high has led to use of rather elaborate record-keeping systems, replete with tables and performance charts and graphs showing the logger how to wring the best possible performance from his equipment in operating over varying road and load conditions. Some companies maintain detailed records for each and every tire, showing serial number, date mounted, date changed, wheel position, mileage, cause of removal, etc., and classes of road surfaces operated over. It has been appropriately pointed out that tire cost "spells the difference between marginal and profitable logging." This is important because the availability of records justifies our petition for seeking a refund of highway-user taxes to the extent we operate over our own roads. The fact that detailed tire records are kept goes far in refuting statements that a refund provision will present administrative difficulties.

ROAD SYSTEMS BUILT OR MAINTAINED BY THE LUMBER INDUSTRY

The fact that fuel and rubber is a major portion of total logging costs has a direct bearing upon our high expenditures for road construction. The cost of hauling is a rather complex function of the type of road surface, the degree of curves, the grades, and the loads carried. It follows then that roads are the key to good forest management and protection—a corollary of the statement above that logging is the key to good forestry and sustained-yield management. Not only does the lumber industry build and maintain annually thousands of miles of roads over privately owned forest lands, but it builds and maintains at its own expense thousands of miles of access roads across public lands. In a representative situation in the West a mile of improved road is needed for each million board-feet of timber harvested. That figure may be conservative applied to the South and East where the timber volume per acre is not as heavy as in the West. Based on a 40 billion board-foot log production, the lumber industry builds thousands of miles of roads annually—ranging from graded dirt roads to those that compare favorably with public roads in cost and quality.

A recent study of 24 lumber operations in the Douglas fir region revealed that the average cost of privately built mainline timber access roads was \$26,500 per mile; secondary roads averaged \$18,900 per mile. One Oregon lumber company completed a \$1 million timber access road system in an isolated and rugged mountain drainage, involving 30 miles of mainline and 15 miles of spur. At one point, where solid rock was encountered, the cost soared to \$100,000 per mile rate.

This road will be used by some 20 small-business men—independent log-hauling contractors who will pay, directly or indirectly, nominal fees for the use of this road and its maintenance. In time the road will become available to public use as do most timber-access roads. Since this road was built and will be maintained by private funds, it would be most unfair to impose highway-user taxes on the fuel and rubber consumed, or on use of trucks, operating over them.

It is estimated that 14,200 miles of timber-access roads are needed in the national forests to bring them up to their full allowable cut under sustained-yield management; about 9,000 of these miles will be built by timber purchasers, at an estimated cost of \$100 million.

NONHIGHWAY USE REFUND PROVISIONS ARE FEASIBLE

The House Ways and Means Committee in its report (H. Rept. 1899) on the tax provisions included in the highway bill (H. R. 10660) states (p. 4):

"The bill imposes the additional tax with respect to motor fuels used in a highway vehicle (motor vehicle for special motor fuels) whether or not the fuel is consumed

while the vehicle is on a public highway because of the administrative problem in determining the extent of the use of these vehicles off the highways."

Again, with respect to the additional tire tax and the new tax on retread rubber, it is stated on page 5 of the report:

"It is necessary to base the additional taxes on tires used on highway vehicles because of the difficult administrative problems which would be involved in attempting to base the taxes on the actual use to which the tires are placed."

Regardless of these statements, the growth of motor fuel and other similar user taxes by the States to finance their highway programs has led to general recognition of off-highway uses. The States have developed well-defined procedures for allowing either exemptions or refunds in the case of taxes imposed upon use of a motor vehicle or upon fuel where the operation is entirely or partially over privately owned or privately maintained roads. In almost all instances, the refund method is used in preference to an original exemption in the case of fuel used off the highway.

Studies by the Federation of Tax Administrators show that all but three States have refund provisions in the case of gasoline taxes and the cost of administering such refund provisions is negligible in comparison to revenue collections. For example, the maximum cost reported by any one State for administering its refund provision was about one-half of 1 percent of its gross gasoline collections and the cost of administering the refund provision for a third of the States making refunds, was about one-tenth of 1 percent of gross collections. Numerous provisions are resorted to by the States to render these provisions administratively feasible from the tax-collecting viewpoint, such as: licensing of dealer; licensing of users or refund applicants; record keeping, reporting, and invoicing requirements; limitations on frequency and timing of refund claims; minimum claims both as to volume and dollars involved.

Illustrative of State provisions that meet the peculiar requirements of the logging and lumber industries, which build or maintain tens of thousands of miles of their roads over which their vehicles are operated are the fuel refund and public highway use taxes of the States of Idaho and Oregon, both of which make allowance for refunds in the case of fuel consumed or motor vehicles operated on privately owned or maintained roads.

Operating records maintained on logging truck mileage and tire use make administration of a refund provision administratively feasible. Another factor further simplifies calculation of off-highway use of logging trucks: most log hauling is done between two well-defined points—from the "landing" area, where the logs are assembled in the woods, to the mill. It is very easy to keep a record of mileage between these points and the proportion of private road use and public highway use involved. And when the logging operation pushes deeper into the woods, the mileage over the public highway remains constant. In fact, the typical timber-sales contract in the West usually has a map attached showing very clearly the log transport route followed. Objections that it will be hard to determine off-highway use cannot stand up. Records maintained by operators on their fuel consumption, tire use, and miles traveled afford an easy way of administering a tax drawback provision under the Treasury's regulations. Certainly in many States, the tax administrators rely upon operator's records for diesel-fuel taxes imposed solely on public highway use and for the ton-mile tax imposed on mileage over public highways. There is no reason the Federal Government cannot do likewise.

Shall relief from taxes for off-highway use be denied to the overwhelming majority of small operators who, though operating almost entirely on privately owned or maintained roads, have to travel a short distance over the public highway as an incident of getting logs to a mill? Will the small operator be denied a refund for his off-highway use because he has to move 1, 2, or 3 miles on a public highway? This feature is worthy of the committee's careful consideration. Each year the proportion of use of privately built roads is growing and logging areas are pushed deeper into the woods.

CONCLUSION AND RECOMMENDATIONS

It is noted that the committee report of the House Ways and Means Committee on this bill states it "to be the policy of Congress that if the distribution of the tax burden among the various classes of persons using the highways or deriving benefits from them is not equitable, Congress is to enact legislation to bring about an equitable distribution." This is significant. It is implicit recognition that highway-user taxes might prove inequitable when applied to certain classes of highway users. The point is then these taxes are clearly inequitable when applied to nonhighway use. There seems no reason to await further studies. The bill should be immediately amended to recognize nonhighway use to a far greater degree than it does.

In concluding it is emphasized that the lumber industry is not seeking special privilege. It is not asking for exemption from either the existing rates of taxes or the proposed rates. What is recommended is that this Senate Committee on Finance amend the House-passed bill to recognize nonhighway use of fuel, rubber, and trucks by setting up a refund provision to the extent that highway vehicles operate over privately owned, built, or maintained roads. Such refunds should be limited to the amount of the tax increases proposed by the bill and the new taxes imposed. Contrary to the implications of the House committee's report, such drawback provisions are feasible and simple to administer. There is wide precedent and experience among the States in administering such refund procedures. We recommend that the Treasury Department's problems be simplified by giving it broad power to prescribe regulations and to place the burden of proof upon the nonhighway user applying for refund of taxes paid.

FEDERAL HIGHWAY ACT OF 1956, H. R. 10660
(Statement of Loran L. Stewart, in behalf of the National Lumber Manufacturers Association, before the Senate Committee on Finance, May 17, 1956)

Mr. Chairman, gentlemen of the committee, I am Loran L. Stewart, of Cottage Grove, Ore. I am president of the Bohemia Lumber Co., located east of Cottage Grove, Ore. We are a small company; we do not own any timber of our own and are entirely dependent upon the United States Forest Service and the Bureau of Land Management for our supply.

I am director of the Industrial Forestry Association and a member of the West Coast Lumbermen's Association of Portland, Ore., both of which are organizations of loggers, forest owners and lumber manufacturers in the Douglas fir region. I am here representing my own area and also the National Lumber Manufacturers Association, a nationwide organization of the lumber industry. With your permission, I would like to file for the record a statement prepared by the national association on the revenue features of H. R. 10660, the highway bill, as it affects logging and off-highway use of logging trucks.

I have had the good fortune of being a member of the Oregon State Legislature for

the last 3 sessions. In 2 of them I was a member of the House Highways Committee as well as the Highway Interim Committee. At the present time I am chairman of the House Taxation Committee so I am somewhat familiar with both highway and tax problems in the State of Oregon.

Highways are one of our important assets and we in Oregon have bonded ourselves to the limit of our capacity for construction of important highways, and we are still short of the necessary transportation facilities. We in Oregon, and I am certain the lumber and logging industry of the Pacific Northwest and the United States are wholeheartedly in accord with an improved highway system. We also recognize that an expanded highway construction program is going to cost a great deal of money and someone must pay the bill. We should bear our fair share of the cost because we will benefit proportionately in marketing our products.

But there is a feature of this highway bill that gives wholly inadequate consideration to the problems of our industry and which on its face is highly discriminatory and inequitable. As I understand the intent of this bill from reading the House committee's report, the highway user will pay the cost of building the proposed highways through higher taxes on motor fuels, tires, and trucks. This idea seems to be brought out clearly by the fact that gasoline used in boats and airplanes is exempted from the tax increase and, as indicated in the committee report, the tax will not apply to operation of mammoth trucks used exclusively off the highways. It would be consistent with this approach that all equipment used off the public highways should be exempt from the tax increases, or allowed refunds to the extent that taxes are imposed and paid; also equitable allowance should be made for the fact that trucks operate both on and off the highways.

I estimate that over three-fourths of the logging trucks in the Pacific Northwest are off-highway users during some portion of their trip from the loading point in the woods where logs are assembled to the point where they are dumped in the millpond or mill yard. The tax increases and the new taxes proposed in this bill will fall heavily upon our industry and particularly upon the small independent contractor engaged in logging. The bill in its present form is highly discriminatory because:

1. It taxes us for use of our own trucks over our own roads which we have already built and paid for.

2. Notwithstanding that loggers will pay highway use taxes under this bill, they will have to continue to build and maintain thousands of miles of roads annually at their own expense.

Since the Federal Government seems to be embarking for the first time on the highway use theory of taxation recognized in many States, what our industry is seeking before this committee is recognition from the start that nonhighway use—that is, operation of motor vehicles over privately owned, privately built, or privately maintained roads—should not be subject to highway use taxes. My own State of Oregon recognizes this principle.

May I diverge here to explain the workings of the pertinent part of the Oregon law? It is based fundamentally on two principles: First, the privilege tax which is, in effect, the license fee. Any truck or car that travels a mile or 100,000 miles on our highways is subject to this tax. A completely off-the-highway vehicle does not pay this tax because it is not privileged to use the highways. Second, the "use" tax which takes two forms: One, the gasoline tax which in effect says the more miles you use the highways, the more tax you pay. Two, the weight-mile tax which applies to heavier ve-

hicles. The scale of this tax is graduated from the lowest weight to the highest weight vehicles, so in effect the more weight they carry, the more money they pay to use the highways. I believe, gentlemen, that this is exactly what this bill is attempting to do—the more gasoline or rubber used, that is, the more miles traveled, the higher the taxes.

Now let me explain a little of the mechanics of the operation of our use tax. Gasoline used in vehicles not operating on public highways is not subject to the gasoline use tax. If a logging truck operates over 10 miles of private roads and over 10 miles of public roads, the operator can apply for a refund on the gasoline consumed over the private roads, based on proportionate mileage, and on records that the Secretary of State requires him to keep.

The weight-mile tax I spoke of, which is also a use tax, is based on the same principle. If a logging truck operates over 10 miles of private road and over 10 miles of public road, it pays the weight-mile tax only on the mileage traveled over the public road. The mileage and trip records are kept on forms prescribed by the Public Utilities Commissioner, who makes periodic audits to see that proper payment is made.

Now, gentlemen, this has proved to be a relatively easy system to administer. Let me give the history of a test that was performed to determine the accuracy of collections and the extent of evasion, if any. In 1954, the Oregon State Highway Interim Committee, of which I was then a member, wanted to determine the operation of the weight-mile tax in Oregon. The committee hired an independent out-of-State organization, the Stanford Research Institute, to examine the records and results. They spent about 4 months in Oregon making various checks in cooperation with State police, highway officials and other agencies. After a very detailed analysis, they found that Oregon was losing on the first direct return 3.4 percent of the taxes due. This was phenomenally low and did not reflect a true picture of the satisfactory operation of the system because this deficiency was picked up in the course of regular audits by the Public Utilities Commission. I am sure the Stanford report is available if this committee would like to examine it.

The experience of my State amply refutes the implications found in the report of the House Ways and Means Committee on this bill that allowances for nonhighway use, as urged by our and other industries before the committee, would be difficult to administer. Further, I think the principle of our proportionate mileage tax based on allowances for mileage operated over privately owned or maintained roads could be extended to use of tires. The statement of the national association that I have filed covers adequately the fact that rubber is a very substantial item of cost in logging operations due to the classes of roads over which we operate. For this reason, logging operators keep detailed cost records on tire use, sometimes by individual tires upon which refund allowances could be based to the extent these tires are used off the highways. Such allowances might also be based on records kept for nonhighway use of fuel or the weight-mile tax, using the proportionate mileage principle. I might say that all the breaks would be in favor of the Government as our consumption of fuel and rubber may be 2 to 6 times as high operating over logging roads as over public highways.

In conclusion, I would like to say that highway-use taxes are so clearly discriminatory when applied to off-highway use, Congress should immediately and completely recognize the fact in this bill. There is no reason to defer this until studies are made as to whether highway-use taxes are equal-

table as applied to all classes of highway users. Broad powers may be given to the Treasury Department to prescribe regulations governing refund provisions and to place the burden of proof upon the non-highway user applying for refund of taxes paid. Such refunds should be limited to the tax increases proposed in this bill or to the amount of the new taxes proposed. It is my understanding that Senator MAGNUSON of Washington will offer an amendment to this effect.

Mr. MAGNUSON. I thank the Senators for their indulgence. I ask unanimous consent that this colloquy be placed in the RECORD after the remarks pertaining to title I, and at the appropriate place in connection with the debate on title II.

The PRESIDING OFFICER. Without objection, it is so ordered.

Title II is open to amendment.

Mr. ALLOTT. Mr. President, in conformity with my agreement with the Senator from Washington [Mr. MAGNUSON] I call up the amendment which he has submitted, and as a substitute therefor I offer my amendments, designated 5-28-56-P, and ask that the amendments be not stated, but printed in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendments offered by Mr. ALLOTT, as a substitute for the amendment of Mr. MAGNUSON, are as follows:

On page 51, line 13, after "highway)", insert "or as a fuel in a diesel-powered highway vehicle while such vehicle is not being used on a highway."

On page 51, line 22, after "highway)", insert "or as a fuel in a diesel-powered highway vehicle on a highway, as the case may be."

On page 52, line 17, after "highway)", insert "or sold or used as a fuel for the propulsion of a highway vehicle while such vehicle is not being used on a highway."

On page 53, line 1, after "highway)", insert "or is used as a fuel for the propulsion of a highway vehicle on a highway, as the case may be."

On page 68, line 19, after "way)", insert "or as a fuel in a diesel-powered highway vehicle while such vehicle is not being used on a highway."

On page 69, line 3, after "highway)", insert "or used or resold for use as a fuel for the propulsion of a highway vehicle while such vehicle is not being used on a highway."

On page 71, strike out lines 8 through 16, and in lieu thereof insert the following:

"(a) Nonhighway uses: If gasoline—

"(1) is used otherwise than as a fuel in a highway vehicle which (at the time of such use) is registered, or required to be registered, for highway use under the laws of any State or foreign country (or, in the case of a highway vehicle owned by the United States, which is used on the highway), or

"(2) is used as a fuel in any such highway vehicle while such highway vehicle is not being used on a highway.

the Secretary or his delegate shall pay (without interest) to the ultimate purchaser of such gasoline an amount equal to 1 cent for each gallon of gasoline so used."

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc. The question is on agreeing, en bloc, to the amendments offered by the Senator from Colorado [Mr. ALLOTT].

Mr. BYRD. Mr. President, as I understand, the amendments apply only to gasoline and diesel fuel.

Mr. ALLOTT. That is correct.

Mr. BYRD. Mr. President, I accept the amendments.

Mr. ALLOTT. Mr. President, I ask unanimous consent that two letters written in support of the amendments be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

J. STANLEY WEIDMAN, INC.,
Durango, Colo., May 16, 1956.

HON. GORDON ALLOTT,
United States Senator,
Senate Chambers, Washington, D. C.
DEAR GORDON: Your attention is directed to highway bill H. R. 10660, which we favor with exceptions.

As you know, as loggers, we are required in our operations to use both the highway, and many miles of road off the highway in the woods. For the last calendar year we spent \$52,381.41 in constructing roads and the maintenance was \$34,904.82. A conservative figure on our gasoline expense is 60 percent off highway and 40 percent on the highway. I think these figures may proportionately apply to other loggers, and of course we are approaching you in behalf of the industry as well as for our personal preservation. It would be unfair for us to be required to pay special highway tax on gasoline used off the highway.

A letter from you indicating how you view this matter will be appreciated, and meanwhile we hope that should the bill come up for vote you will give the matter close scrutiny and not penalize loggers with the additional tax.

Regards,

STAN,
President.

DENVER, COLO., May 18, 1956.

Subject: Inequitable tax on loggers in new highway bill.

HON. GORDON ALLOTT,
United States Senator,
United States Senate,
Washington, D. C.

MY DEAR SENATOR ALLOTT: The new highway bill, H. R. 10660, passed by the House last month and now before the Senate Finance Committee proposes a multi-billion-dollar long-range Federal highway program to be financed through tax provisions which, in some respects, are seriously discriminatory against the pole and sawlog industry.

The purpose of the above bill is to require the highway users, as the beneficiaries of the program, to pay the cost of building the highways. An effort is made in the bill to limit the increased rates and new taxes to vehicles used on, or suitable for use on the highways. However, a vehicle used partly on and partly off the highway would be subject to all of the taxes, even though the highway use is an insignificant part of the total use. This feature, as applied to logging, is most inequitable and should be corrected.

If an exemption for off-highway use of fuel, tires, and mobile equipment is administratively impractical, as claimed by the Treasury Department, a refund can and should be provided where the operator can affirmatively show from his records the extent to which fuel, tires, and mobile equipment subject to tax were actually used off the highway.

Much of the estimated quarter-billion gallons of taxable fuel and million tires used each year by the industry is unrelated to public highways. Between our two treating plants here in Denver, Colo., this company

operates 18 pieces of mobile equipment that never leaves company property and in no way can be related to public highways. In our woods operations in the Tabernash, Granby, Walden, Fort Collins and Breckenridge, Colo., logging areas, this company operates approximately 20 pieces of mobile equipment on logging roads built and maintained by the company. At the present time this company maintains approximately 144 miles of logging roads in order to harvest our timber products. The inequity of taxing loggers on use of the roads they built themselves should be obvious.

Providing a refund for nonhighway use of fuel, tires, and mobile equipment is the simple and logical answer. That it is also a practical answer is evidenced by the fact that most States have some provision for refund of gasoline and similar taxes. Congress recently enacted a provision for refunding gasoline taxes paid by farmers and the pending highway bill already extends the refund provisions of the tax laws and in the case of gasoline used otherwise than as a fuel in a highway vehicle, for gasoline and other fuels used in local transportation systems and for retread rubber not used in recapping highway-type tires.

The bill would require the Secretary of Commerce to make studies to enable Congress to determine "an equitable distribution of the tax burden among the different classes of persons using the Federal-aid highways or deriving benefits from these highways." In the case of off-highway use of motor vehicles in logging, there should be no need to await studies and reports. Since it is off-highway use, there is no reason why equitable distribution cannot be achieved by provision for refund of such taxes in the case of nonhighway use not covered by specific exemption.

The wood-preserving industry and lumber industry are most important in your State of Colorado as well as in a number of other Rocky Mountain States, and are engaged in a highly competitive business essential to the economy of our country. These industries should not be burdened with inequitable taxes. These western industries will appreciate your full effort to relieve an anticipated difficult and apparently complicated situation.

Yours very truly,

BRODERICK WOOD PRODUCTS CO.,
S. A. TAIT, General Manager.

The PRESIDING OFFICER. The question is on agreeing, en bloc, to the amendments offered by the Senator from Colorado [Mr. ALLOTT].

The amendments were agreed to.

Mr. FULBRIGHT. Mr. President, I call up my amendments designated "5-15-56-A."

The PRESIDING OFFICER. The Secretary will state the amendments.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the amendments be not stated, but printed in the RECORD at this point.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendments offered by Mr. FULBRIGHT are as follows:

On page 78, after line 7, insert the following:

"Sec. 211. Adjustment of corporate normal tax and surtax rates.

(a) Corporate normal tax rate: Section 11 (b) (relating to rate of corporate normal tax) is amended to read as follows:

"(b) Normal tax: The normal tax is equal to 22 percent of the taxable income."

"(b) Corporate surtax rate: Section 11 (c) (relating to rate of corporate surtax) is amended by striking out '22 percent' and inserting in lieu thereof '31 percent.'

"(c) Certain mutual insurance companies:

"(1) Normal tax rate: Section 821 (a) (1) (A) (relating to rate of normal tax on certain mutual insurance companies) is amended to read as follows:

"(A) Normal tax: A normal tax of 22 percent of the mutual insurance company taxable income, or 44 percent of the amount by which such taxable income exceeds \$3,000, whichever is the lesser; plus."

"(2) Surtax rate: Section 821 (a) (1) (B) (relating to rate of surtax on certain mutual insurance companies) is amended by striking out '22 percent' and inserting in lieu thereof '31 percent.'

"(d) Interinsurers and reciprocal underwriters:

"(1) Normal tax rate: Section 821 (b) (1) (relating to rate of normal tax on certain interinsurers and reciprocal underwriters) is amended to read as follows:

"(1) Normal tax: A normal tax of 22 percent of the mutual insurance company taxable income, or 44 percent of the amount by which such taxable income exceeds \$50,000, whichever is the lesser; plus."

"(2) Surtax rate: Section 821 (b) (2) of such Code (relating to rate of surtax on certain interinsurers and reciprocal underwriters) is amended to read as follows:

"(2) Surtax: A surtax of 31 percent of the mutual insurance company taxable income (computed as provided in subsection (a) (1)) in excess of \$25,000, or 46.5 percent of the amount by which such taxable income exceeds \$50,000, whichever is the lesser."

On page 78, line 8, strike out "Sec. 211" and in lieu thereof insert "Sec. 212."

On page 78, line 11, strike out "and the" and in lieu thereof insert "the"; and in line 13, after "1956" insert the following: "and the amendments made by section 211 shall apply only with respect to taxable years beginning after June 30, 1956."

Mr. FULBRIGHT. Mr. President, I yield myself 10 minutes.

Mrs. SMITH of Maine. Mr. President, I ask that the Senate be in order. We cannot hear.

The PRESIDING OFFICER. The Senate will be in order.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to insert in the RECORD at this point a statement explaining the provisions of the amendment.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

II. NEED TO RETAIN EARNINGS

OBTAINING EQUITY CAPITAL

Small businesses have three principal sources for funds with which to maintain and expand production: First, new capital investment; second, borrowing; and third, business earnings.

Small business has difficulty in obtaining equity capital because it does not have the large financial resources which will guarantee stockholders against severe loss on their investment. A small-business man who needs equity capital usually is told that the expense of raising up to \$300,000 in the securities market averages almost 20 percent and may reach 25 percent or 30 percent. He may ask, "Why," and point to the recent Ford or General Motors issues where the ex-

pense was a small fraction of 1 percent. But he must face the uncomfortable fact that it will cost him 40 or 50 times as much to tap the capital markets as it costs the larger corporations.

HIGH INTEREST ON BORROWED MONEY

Because of the difficulty in obtaining equity financing, the small-business man usually must borrow money for a short term from a bank or other lender to realize his capital needs. Long-term borrowings in the securities markets would be subject to the same difficulties as equity financing. Interest rates are commonly established at 6 percent or even higher for the small-business man. The large corporations may either float a debt issue of securities or borrow money at interest rates of 3½ percent or 4 percent for long terms. This gives larger corporations a competitive advantage which reduces their costs and, therefore, could result in lower prices to customers or higher returns on their stockholders' investments.

In this connection, however, it is interesting to note that the lower costs made possible by these competitive advantages are not necessarily passed on to consumers. The FTC-SEC Quarterly Financial Report for the 2d quarter of 1955 shows that corporate profits as a percentage of sales rise in proportion to the asset size of the corporation. For example, the smallest corporations (assets under \$250,000) earned only 1.1 cents per dollar of sales, while the largest corporations (\$100 million and over) were earning 7.4 cents per dollar of sales. This disparity in profits occurs while the largest manufacturing corporations increased their sales volume by 19 percent between the 3d quarter of 1954 and the 3d quarter of 1955, in contrast to a mere 3 percent increase in sales volume of the smallest manufacturing corporation. Thus, the small manufacturer is losing out in both volume of sales and percent of profit per dollar of sales.

NEED TO RETAIN EARNINGS

Since equity capital is generally not available and since interest rates on borrowings are so high, the only solution for most small businesses is to plow earnings back into the businesses. Tax relief is a positive answer to this problem. Without tax relief the number of small-business failures will continue upward.

III. BUSINESS CONDITIONS

BUSINESS FAILURES

These are the statistics on business failures for the last 6 years—the President's Economic Report of January 24, 1956, page 231:

1949	9,246
1950	9,162
1951	8,058
1952	7,611
1953	8,862
1954	11,086
1955	10,969

The number of business failures was dropping steadily from 1949 through 1952—the number in 1952 being almost 18 percent lower than in 1949. Beginning in 1953 the number of failures began to rise, and by 1955 failures were over 44 percent higher than in 1952. In no year since 1941 have there been more business failures than there were in 1954 and 1955—and it is common knowledge that these statistics relate almost exclusively to failures of small businesses.

Furthermore, 1956 promises to be the worst year since 1940. Failures in January were 1,048, in February they were 1,024, and in March were 1,170. At this rate total failures for 1956 will be almost 13,000—the highest since 1940.

MERGERS

The following table on mergers was supplied by the Federal Trade Commission:

Number of mergers and acquisitions in manufacturing and mining

Year	Number of mergers	Year	Number of mergers
1919	438	1938	110
1920	760	1939	87
1921	487	1940	140
1922	309	1941	111
1923	311	1942	118
1924	368	1943	213
1925	554	1944	324
1926	856	1945	333
1927	870	1946	419
1928	1,058	1947	404
1929	1,245	1948	223
1930	799	1949	126
1931	464	1950	219
1932	203	1951	235
1933	120	1952	288
1934	101	1953	295
1935	130	1954	387
1936	126	1955	525
1937	124		

This table shows that after the peak merger years of 1928 and 1929, mergers declined rather steadily until 1942. There was a significant rise during the war years and a tapering off in 1948 and 1949. From 1950 through 1953 there were less than 300 mergers per year. In 1954, however, the number rose to 387 and in 1955 to 525. The number of mergers for 1955 is the highest for any year since 1930. I think that this is a significant indication of business conditions and that high corporate tax rates on small businesses are a contributing factor to the increase.

INCREASE OF OPERATING BUSINESSES

Another set of statistics which should be of grave concern to the Senate is the reduction in the rate of increase of operating businesses. Page 231 of the President's economic report of January 24, 1956, contains the following data:

Year	Net increase of operating businesses
1949	52,000
1950	50,000
1951	58,000
1952	59,000
1953	26,000
1954	-4,000
1955	(¹)

¹ Not available.

Although final figures for 1955 are not available, it appears that the increase in business firms for 1955 will be no higher than the increase in 1953. These statistics show that the average increase in the number of operating businesses for the 4-year period for 1949 through 1952 was approximately 55,000. In 1953 this steady increase declined over 50 percent, and in 1954 there was an actual net reduction in the number of operating businesses of 4,000. In fact, 1954 is the only year since 1943 in which there has been a reduction in the number of operating businesses in this country.

EARNINGS AFTER TAXES

Another indicator of the need for small-business tax relief is shown by the following statistics on the earnings, after taxes, of manufacturing corporations:

United States manufacturing corporation earnings (after taxes) by asset size

[Index: 1947-49=100]

Year ¹	Index of earnings		Disparity in favor of large concerns	Average disparity
	Assets under \$1 million	Assets over \$1 million		
1947	98	143	45	
1948	103	112	19	
1949	55	90	35	
1950	122	130	8	22
1951	96	106	10	
4th quarter 1952	86	103	17	
4th quarter 1953	49	103	54	
4th quarter 1954	59	119	60	58
1st quarter 1955	68	127	59	

¹ Annually 1947-51.

Source: 5th Semiannual Report, Small Business Administration.

The computation of disparity in favor of large concerns is made for the purpose of comparison. Using 1947-49 as an index of 100, the earnings index of large concerns averaged 22 points higher than the index for small firms throughout the period of 1947-52. In the years 1953, 1954, and 1955, however, this average disparity has risen to 58 index points. In other words, the relative disadvantage in earnings of small manufacturing corporations has almost tripled in the last 3 years.

EARNINGS ON EQUITY (AFTER TAXES)

Also pertinent to the consideration of tax relief for small business is the following table

Net income after taxes of manufacturing corporations
[Listed by quarters and in millions of dollars]

Grouped by size of assets	1952				1953				1954				1955		
	1st	2d	3d	4th	1st	2d	3d	4th	1st	2d	3d	4th	1st	2d	3d
All assets (total)	2,562	2,507	2,590	2,965	2,847	3,031	2,871	2,591	2,595	2,922	2,658	3,057	3,335	3,878	3,735
Under \$250,000	71	104	110	23	54	102	84	-30	1	68	58	-25	24	36	72
\$250,000 to \$999,999	116	143	142	78	125	162	126	33	71	125	126	73	120	147	180
\$1,000,000 to \$4,999,999	228	231	237	227	247	245	207	140	147	170	159	152	224	275	272
\$5,000,000 to \$9,999,999	122	125	120	146	168	160	136	107	101	126	109	108	119	153	147
\$10,000,000 to \$49,999,999	379	392	386	443	423	459	414	359	362	391	364	403	400	495	497
\$50,000,000 to \$99,999,999	182	175	177	220	188	197	189	162	165	176	170	194	216	255	254
\$100,000,000 and over	1,464	1,426	1,417	1,829	1,641	1,706	1,714	1,822	1,748	1,876	1,672	2,152	2,232	2,513	2,312

All assets (total)	1st 9 months of—				Percent change, 1955 over 1952
	1952	1953	1954	1955	
All assets (total)	7,749	8,749	8,175	10,948	+41.3
Under \$250,000	285	240	117	132	-53.7
\$250,000 to \$999,999	401	413	322	447	+11.4
\$1,000,000 to \$4,999,999	696	699	476	771	+10.8
\$5,000,000 to \$9,999,999	367	464	336	422	+15.0
\$10,000,000 to \$49,999,999	1,167	1,296	1,117	1,392	+20.3
\$50,000,000 to \$99,999,999	534	574	511	725	+35.8
\$100,000,000 and over	4,307	5,061	5,296	7,057	+63.8
Under \$1,000,000	686	653	439	579	-15.6
\$1,000,000 to \$99,999,999	2,754	3,033	2,440	3,310	+19.4
\$100,000,000 and over	4,307	5,061	5,296	7,057	+63.8

of earnings, after taxes, on stockholders' equity:

United States manufacturing corporations' earnings (after taxes) on stockholders' equity by asset size

[Expressed in percentage]

Annual rate for year	Index of earnings on equity		Disparity in favor of large concerns	Average disparity
	Assets under \$1 million	Assets over \$1 million		
1947	16.3	15.5	-0.8	
1948	12.6	16.3	3.7	
1949	7.0	10.6	3.6	
1950	12.5	15.7	3.2	2.8
1951	9.0	12.6	3.6	
1952	7.9	10.6	2.7	
1953	7.1	10.8	3.7	
1954	5.4	10.3	4.9	4.7
1955	6.9	12.3	5.4	

Source: 5th Semiannual Report, Small Business Administration.

This table shows that the percentage of earnings on stockholders' equity has declined 1 percent for small businesses from 1952 to 1955, but that the percentage for large businesses has increased 1.7 percent during the same period. Furthermore, throughout the period 1947 to 1952 large firms returned to stockholders an average of only 2.8 percent more than did small firms. But in the last 3 years, 1952-55, earnings on equity for large corporations have averaged 4.7 percent higher than the earnings on equity of smaller corporations. The position of the owners of small businesses has declined steadily since 1952.

For the further information of the Senate, I submit recent statistics on the net income after taxes of manufacturing corporations. These statistics show that in the third quarter of 1955 manufacturing corporations with assets of \$100 million or more made 63.2 percent more income after taxes than in the same quarter of 1952. In fact, for the first 9 months of 1955 they averaged 63.8 percent more income after taxes than in the first 9 months of 1952.

In contrast with this phenomenal increase for big businesses, corporations with assets of less than \$1 million made 15.6 percent less in the first 9 months of 1955 than they made in the first 9 months of 1952.

Comparison of net income after taxes of manufacturing corporations

[In millions of dollars]

Grouped by size of assets	1st quarter comparisons					2d quarter comparisons					3d quarter comparisons				
	1952	1953	1954	1955	Percent change, 1955-52	1952	1953	1954	1955	Percent change, 1955-52	1952	1953	1954	1955	Percent change, 1955-52
Under \$1,000,000.....	187	179	72	144	-23.0	247	264	183	183	-25.9	252	210	184	252	0
\$1,000,000 to \$99,999,999.....	911	1,026	775	959	5.3	923	1,061	863	1,181	28.1	920	946	802	1,170	27.2
\$100,000,000 and over.....	1,464	1,641	1,748	2,232	52.5	1,426	1,706	1,876	2,513	76.1	1,417	1,714	1,672	2,312	63.2
All assets (total).....	2,562	2,847	2,595	3,335	30.2	2,597	3,031	2,922	3,878	49.3	2,590	2,871	2,658	3,735	44.2

Source: FTC-SEC Quarterly Financial Report.

NET SALES

A further indication of the deteriorating position of small business in recent years is in the record of net sales of manufacturing corporations. This record is shown by the following table:

United States manufacturing corporations' net sales by asset size
[Index—1947-59=100]

Year ¹	Index of net sales		Disparity in favor of large concerns	Average disparity
	Assets under \$1 million	Assets over \$1 million		
1947.....	94	100	6	
1948.....	105	107	2	
1949.....	97	100	3	
1950.....	104	120	16	15
1951.....	115	140	25	
4th quarter 1952.....	115	150	35	
4th quarter 1953.....	97	146	49	
4th quarter 1954.....	103	150	47	49
3d quarter 1955.....	108	158	50	

¹ Annually 1947-51.

Source: 5th Semiannual Report, Small Business Administration.

The increase in net sales for small firms has lagged far behind the net sales of larger corporations. Using 1947-49 as an index of 100, the net sales index of large manufacturing corporations averaged only 15 points higher than the index for smaller corporations throughout the period 1947-52. This disparity in favor of large businesses rose rapidly in 1953 and for the last 3 years the net sales index for big corporations has averaged 49 points higher than the index for smaller firms. This trend to sales dominance by big businesses is consistent with increases in earnings and return on investment which have also characterized business activity since 1953.

IV. MITIGATING FEATURES OF PRESENT TAX LAW
DEPRECIATION OF NEW MACHINERY

One example of existing big business bias in our corporate tax laws involves the accelerated depreciation of new machinery, while similar treatment is not available for used machinery. It is well known that small businesses are the principal purchasers of used machinery. Thus, the very significant benefit of the accelerated depreciation tax provisions are not available to many smaller corporations.

Now, some people advocate including secondhand machinery under the accelerated depreciation provisions, but I think that this action alone would merely accentuate the problem. For example, under present law a large corporation can, in a relatively short time, depreciate new machinery to a figure below its market value. The large corporation can then sell this machinery for more than its depreciated value and treat the income as a capital gain. If secondhand machinery had the benefit of accelerated depreciation, small businesses would be more eager to buy secondhand equipment. Then

the giant corporations would realize even greater profits from the sales and greater capital gain windfalls.

The way to treat small businesses fairly would be to permit accelerated depreciation of both old and new machinery, and to tax income derived from the sale of depreciated machinery at the regular rates for corporate income. But until such changes are made, this is one more factor contributing to the financial dilemma of small businesses.

RESEARCH AND EXPERIMENTATION AND DEFENSE PROCUREMENT

Some very wise provisions in the tax law, designed to encourage research and experimental programs by industry, operate to the primary benefit of big business. These provisions offer favorable tax treatment of expenditures made for research. While these provisions have considerable merit, I think we should frankly admit that the benefits inure almost exclusively to big businesses.

Furthermore, the defense needs of the Nation require direct Federal expenditures for research for weapons and other items of military necessity. The size of these Federal expenditures amounts to over a billion dollars every year, and the contracts go primarily to our huge industrial corporations. It would seem that the law has compounded the advantage of big business in the field of research.

And while on the subject of Federal expenditures for the output of industrial concerns, we should remember that a very substantial part of the total business in this country is associated with the national defense. Defense contracts awarded in 1955 totaled over \$15 billion. And in spite of congressional efforts to divert some of this spending to small firms, the major portion has gone to a few giant corporations.

The Senate Armed Services Committee recently reported that from June 1950 through June 1953 over 63 percent of the value of all defense contracts went to the 100 largest defense contractors. During the period of July 1953 through December 1954 this percentage rose to over 69 percent. It is no answer to pretend that such conditions are inevitable. The ability to accumulate capital and grow through more equitable corporate tax rates would be a very important factor in reversing this trend of defense buying from the largest corporations.

STOCK OPTIONS

Another advantage for large corporations is their ability to attract and hold highly skilled management and technical personnel by deferred-compensation plans. These plans reduce the impact of individual income-tax rates and give a higher real income to such employees. For instance, a special bonus is given large corporations by those provisions of the tax laws which deal with stock options. All salaried employees must pay taxes upon their incomes at the regular income-tax rates. The fortunate recipient of a stock option, however, pays no tax, in most instances, when he receives the option, pays no tax when he exercises the option, and pays only a capital-gains tax upon any profit he makes when he sells the stock.

To qualify for this preferred treatment, the corporation must be able to value its stock by some acceptable reference to market value at the time the option is granted. The small corporation, which is closely held, has great difficulty in meeting this requirement. As a result, it is the large publicly held corporations which benefit. Almost half the corporations listed on the New York Stock Exchange have such plans. The revenue loss to the Government cannot be estimated, but it is very substantial.

By this and similar devices, big business is able to attract and to hold the most able technical and executive talent. A small corporation must pay much higher salaries, if its employees who do not have stock options are to be able to keep, after taxes, as much as the employees of the large corporation which does have a stock-option plan in force. Naturally, in a competitive labor market the most valuable employees will tend to enter the employ of the corporations paying them the highest net salaries after taxes.

Even the owner of the small corporation may believe that he himself can find refuge against business risk, attain relative security, and provide a fund for his retirement by giving up his small business and going to work for a large corporation. The tax laws foster this trend by such provisions as restricted stock options.

LOSS CARRYOVERS

In addition to failures, statistics of the Federal Trade Commission show the following trend in the number of manufacturing and mining concerns acquired or merged during the last 30 years. Beginning in 1922, the number of mergers rose steadily from 297 to a peak of 1,216 in 1929. Thereafter, the number of mergers leveled off at less than 200 in 1932 and varied within a range from 87 to 419 throughout the 1940's. The number of mergers were under 300 per year in the early 1950's, but rose to 387 in 1954 and to 525 in 1955.

While I don't pretend to be an expert on tax matters, it is very obvious to me that the ability to carry over business losses from one year, to offset profits in another year, is a strong factor in this merger movement. It is very difficult for the small corporation, suffering losses caused in many instances by its smallness alone, to resist the eager embrace of the profitable giant seeking a dowry of tax advantages to be derived from the prior losses of the unfortunate bride-to-be.

I do not have a solution to this problem. But until some solution is found, we must do whatever we can to strengthen small companies and thus make them less attractive to the rich suitor with a loss carryover gleam in his eye. My amendment will reduce the taxes on small companies, and the income retained thereby will contribute directly to this strength.

SHIFTING TAXES

Still another advantage of the large corporations is their ability to adjust to tax rates with little effect upon their rates of earnings after taxes. This is possible because large corporations can, to a considerable extent, shift a large portion of their taxes to con-

sumers in the form of higher prices. This is especially the case in industries which are dominated by one or a few corporate giants, and where competition does not operate to hold prices down.

Small corporations can rarely set prices to absorb taxes. There are too many of them and generally no single one is in a position to exert substantial control over prices in its industry.

Actually, the small corporation gets hit from both sides under the present corporate tax structure. His raw materials tend to be produced by giant concerns which can pass on a large share of their taxes to him. Thus, corporate taxes, for the small corporation, will generally result in higher costs. At the same time, he does not have the economic power to set prices to absorb his own taxes.

STATEMENT OF MR. DEXTER M. KEEZER

Mr. President, there are many others in this country who believe that the corporate tax structure favors the growth of large businesses as against small businesses. For instance, last December when testifying before the Subcommittee on Tax Policy of the Joint Committee on the Economic Report, Mr. Dexter M. Keezer, vice president and director of the economics department of the McGraw-Hill Publishing Co., made the following statement:

"I think we have at the present time a high and satisfactory level of business investment. . . . But simply in terms of maintaining an adequate level of investment, I would not say that the present is an occasion to reduce the corporate tax rate. Except, may I give this qualification? Maintaining this rate means that you are going to have larger and larger corporate units at the expense of smaller units. This seems to be a matter of great social, political, and economic significance. Over a period with which we are concerned, the smaller corporations, as you well know, have not had the same rate of growth and capital acquisition."

Mr. President, that is exactly my position. Unless some action is taken to reverse the present trend, the growth of small businesses will continue to lag and their relative position in our economy will continue to worsen.

V. SUMMARY

Mr. President, I have tried to show that small businesses are in a bad way in this country. This is shown by business failures, by business mergers, and by profit ratios and sales volume of different size classes of corporations. I believe that conditions exist in our general economy as well as in the tax law itself which contribute to and aggravate this situation. In considering this amendment, we have an opportunity to offset in a real way some of the disadvantages faced by the small-business man.

The present rate structure seems to have contributed to the decline in the relative importance of small business in recent years. To the extent that our tax laws foster larger and larger business units, our political democracy is weakened. I am sure that we all recognize the relationship between the survival of many thriving business units and the survival of our political democracy.

This amendment will assist those companies in the formative or development stage to overcome initial capital difficulties, and will assure a continuing supply of capital when it is needed to maintain the competitive position of the small-business enterprise. I can think of no action more vital to the maintenance of our system of free enterprise than the encouragement and development of small businesses. They are the very foundation of our national economy.

Mr. FULBRIGHT. Mr. President, on behalf of myself, the Senator from Alabama [Mr. SPARKMAN], the Senator from

Indiana [Mr. CAPEHART], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Maryland [Mr. BEALL], the Senator from Pennsylvania [Mr. DUFF], the Senator from Oregon [Mr. MORSE], the Senator from Florida [Mr. SMATHERS], the Senator from New York [Mr. LEHMAN], the Senator from Illinois [Mr. DOUGLAS], the Senator from Wisconsin [Mr. WILEY], and the Senator from New Jersey [Mr. SMITH], I offer these amendments. My statement is patterned after the bill S. 3129, and proposes tax relief for small businesses.

Under present law, corporations generally are subject to a normal tax rate on net earnings of 30 percent, plus a surtax rate of 22 percent on net earnings in excess of \$25,000. My amendment provides a normal tax rate of 22 percent and a surtax rate of 31 percent. According to the staff of the Joint Committee on Internal Revenue Taxation, this would result in an estimated increase in revenue of approximately \$20 million.

The distribution of the benefits, or increased liabilities, under this proposal are shown in a table which appears at this point in my remarks:

Effect of a normal tax rate of 22 percent and a surtax rate of 31 percent (proposal in S. 3129)

Income subject to normal tax and surtax	Present tax liability ¹	Proposed tax liability ²	Change	
			Amount	Percent
\$5,000.....	\$1,500	\$1,100	-\$400	-26.7
\$10,000.....	3,000	2,200	-800	-26.7
\$15,000.....	4,500	3,300	-1,200	-26.7
\$20,000.....	6,000	4,400	-1,600	-26.7
\$25,000.....	7,500	5,500	-2,000	-26.7
\$50,000.....	20,500	18,750	-1,750	-8.5
\$100,000.....	46,500	45,250	-1,250	-2.7
\$225,000.....	111,500	111,500	(0)	(0)
\$500,000.....	254,500	257,250	+2,750	+1.1
\$1,000,000.....	514,500	522,250	+7,750	+1.5
\$10,000,000.....	5,194,500	5,292,250	+97,750	+1.9
\$100,000,000.....	51,994,500	52,992,250	+997,750	+1.9

¹ Normal rate, 30 percent; surtax rate, 22 percent.

² Normal rate, 22 percent; surtax rate, 31 percent.

³ No change.

The effects can be illustrated by these examples taken from the table. Corporations with incomes of \$25,000 and less would have their tax burden reduced by 26.7 percent. A corporation with income of \$100,000 would be given tax relief of 2.7 percent. Corporations with incomes of \$500,000 and over would have increased tax liabilities of from 1.1 percent, in the case of a corporation with that income, to 1.9 percent for a corporation with income of \$100 million.

The "break even" point under this amendment occurs at the \$225,000 income level—all firms earning less than \$225,000 would receive a tax reduction and all firms earning more than \$225,000 would receive a tax increase. Obviously this redistribution of the impact of corporate taxes would benefit the low-income corporations. While the tax relief afforded would be modest, I believe it would have a significant beneficial effect on the smaller businesses of the Nation.

Mr. President, this amendment is patterned after the bill, S. 3129, which I introduced on February 3, 1956. On March 15, 1956, I offered it as an amendment to H. R. 9166, the bill which extended exist-

ing corporate tax rates. Subsequently, on March 21, 1956, I testified before the Senate Finance Committee in behalf of this amendment.

In view of the urgency for extension of certain excise taxes contained in H. R. 9166, I was advised by the chairman of the Finance Committee that the committee would be unable to hear witnesses for or against my amendment, and that such hearings could be held at a later date if the amendment were offered to another revenue measure.

In personal conversations with the chairman of the Committee on Finance, he advised me of the necessity for immediate action on the bill to extend the present rates of corporate and excise taxes. He told me in these personal conversations that he would hold hearings on my amendment in order to give any possible opponents an opportunity to testify. At that time and also in the record of the hearings at which I testified he suggested that I offer my amendment to another revenue measure originating in the House. I quote from page 53 of the transcript of the hearings held before the Committee on Finance on H. R. 9166, March 21, 1956:

The CHAIRMAN. I assure the Senator this, if he offers it (the amendment) to another bill, there will be hearings and full hearings.

From page 54:

The CHAIRMAN. The Senator will offer it to some other bill. We have very many important bills before this committee. We have very many. When we can work it in, we will be glad to.

Senator FULBRIGHT. I would welcome a suggestion from the committee or the chairman. If you have any (bill) you think is especially appropriate to, I would be glad to have a suggestion about that. I certainly will endeavor to find one myself.

The CHAIRMAN. I guess the staff can refer it for the Senator.

Later, when the bill H. R. 9166 was being considered on the floor, I again stated my understanding of the agreement between myself and the chairman. This statement appears at page 5523 of the CONGRESSIONAL RECORD of March 26, 1956. I stated at that time that I would not press my amendment on the understanding that I would have an opportunity to do so at a later date.

On April 11 and May 4, 1956, I wrote the chairman of the Finance Committee urging him to schedule hearings on my amendment. On May 8 the chairman wrote me that he would present my request to the committee, but to date the hearings have not been scheduled. On May 11, 1956, I replied to the chairman of the Finance Committee and stated my intention to offer S. 3129 as an amendment to H. R. 10660. On May 15, 1956, I offered this amendment.

Mr. President, I am advised that the Finance Committee did not accept this amendment on grounds that it is not germane to the pending bill. Such a decision leaves me somewhat perplexed and frustrated. I did not press the issue during the consideration of H. R. 9166, which extended the present biased corporate tax rates, in a spirit of cooperation with the Finance Committee. I deferred to the suggestion of the chairman that the amendment be offered on

another revenue measure, and in the expectation that the issue would be fully explored in public hearings. I feel that my actions have been orderly and that this amendment should be considered on its merits. The vote on this amendment will be construed as a vote on its substance, and should not be opposed on grounds that it is not germane to H. R. 10660.

Mr. President, I gave notice to the Senate that I would offer the amendment to this present bill.

Subsequent to the time I declared on the floor that I intended to offer this amendment, a unanimous-consent agreement was obtained. I went on to explain that it was obtained during my absence from Washington. I was on a mission to the great State of Alabama to make a speech at the State university, and I did not return in time, but I feel that to hold this amendment not germane under the unanimous-consent agreement is a very unfair procedure, because, obviously, if I had been present, I would have objected. The Senate had notice that I intended to offer it to the bill. I recognize that it is not as germane to this bill as it would be to the bill extending the corporate-tax rate. That was the bill to which this amendment especially pertains. That was a bill dealing with exactly the same subject matter. I regret that it was not then considered, but I deferred it only at the urgent request of the chairman of the Finance Committee because of the necessity of passing the excise portion of the bill. Otherwise, there would have been a lapse and a substantial loss.

So I called the Senator's attention to the quality of the sponsorship, some 10 Senators from important States, all of whom are interested in the substance of the proposed legislation.

I hope the Senator will not raise a point of order against the amendment under the unanimous-consent agreement.

It certainly is germane in a general way to legislation of this character.

Mr. BYRD. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. I yield.

Mr. BYRD. Mr. President, the Senator from Arkansas has made a very accurate statement. He did ask that hearings be held so that those in opposition might be heard. It so happened that he first offered the amendment to a bill dealing with excise taxes which expired on April 1. That bill came before the Senate only 3 or 4 days before the expiration date. It would have been very unwise to risk having a conference with the House, because if the excise taxes had expired they could not be collected retroactively.

Then the Senator, as he has said, wrote to the chairman of the committee—I happened to be in the hospital at the time—and I presented his letter to the Finance Committee. The Finance Committee did not raise the point that it was not germane. The members of the committee thought this proposed legislation was of such importance that it should deal solely with the question of roads, and if we had hearings and heard the opposition to the Senator's amendment—

and there are many corporations, as the Senator knows, which are opposed to it—there would have been delay, and the majority leader was pressing the committee to have this bill reported promptly to the Senate.

When an appropriate bill comes before the committee we will be glad to have hearings for those who are opposed and those who are in favor of the proposal. It was the unanimous opinion of the members of the Finance Committee that it could not be considered in connection with this particular bill.

Mr. FULBRIGHT. Does the Senator feel that his committee can hold hearings giving the opponents of the measure an opportunity to testify before his committee?

Mr. BYRD. The Finance Committee had carried over from last session five very important bills. It had before it the sugar bill, the social-security bill, on which we have spent 3 months because no hearings were held on that bill by the House; we had the old-age and survivors' bill; also the simplification-of-customs bill. As soon as those bills are reported, if an excise bill should come over from the House, the chairman of the Finance Committee will be very glad to see that hearings are given to both sides. But I think the bills passed by the House last year are of very considerable importance and should have priority in the consideration of the Senate Finance Committee.

Mr. FULBRIGHT. Am I correctly informed that in the discussion of the measure before the committee reference was made to a bill which I believe was intended to improve the administration of excise taxes, and it is expected that it will come to the Finance Committee, and that is the one which the committee felt would be most appropriate?

Mr. BYRD. I read to the committee the letter from the Senator from Arkansas, and it was very fully discussed. The committee expressed the desire to give full hearings to the Senator from Arkansas, but it was not deemed wise to hold hearings on this bill. If the road bill is not enacted into law by June 30, the road program will stop. We shall have to have a continuing resolution.

Mr. FULBRIGHT. What I wanted to make clear was whether I could have an understanding with the Senator in order to make our own plans for a hearing. I plan to offer the amendment to the excise bill which is coming over to the Senate.

Mr. BYRD. I give the Senator the assurance that he will have an opportunity to be heard, and those in opposition will have an opportunity to be heard.

Mr. FULBRIGHT. I have already been heard. I want the opposition to be heard in order that there may be a record on which the Senate can vote.

Mr. BYRD. Would the Senator not care to be heard again?

Mr. FULBRIGHT. I appreciate the statement of the chairman of the committee. I think it clarifies the present status of the amendment. It is an important amendment. I recognize the fact that it is not pertinent to the road bill; but under the constitutional requirement that it must be attached to

some tax bill, we are under the necessity of offering it to a bill which has originated in the House. Therefore, I wanted to have an opportunity, at least, to discuss it.

Mr. KNOWLAND. Mr. President, I make the point of order that the amendment is not in order. I refer to the unanimous consent agreement, which provides:

That no amendment that is not germane to the provisions of the said bill shall be received.

Furthermore the title of the bill we are considering reads:

An act to amend and supplement the Federal-Aid Road Act approved July 11, 1916, to authorize appropriations for continuing the construction of highways; to amend the Internal Revenue Code of 1954 to provide additional revenue from the taxes on motor fuel, tires, and trucks and buses; and for other purposes.

The amendment of the Senator from Arkansas deals with the adjustment of corporate normal and surtax rates, and therefore is not germane under the unanimous consent agreement.

Mr. President, I ask for a ruling on the point of order.

The PRESIDING OFFICER. Does the Senator from California yield back the remainder of his time?

Mr. KNOWLAND. I yield back the remainder of my time.

Mr. FULBRIGHT. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. FREAR in the chair). The amendment of the Senator from Arkansas provides for the adjustment of the normal tax and surtax rates on corporations.

If the Chair correctly understands the situation, there is no provision in the bill relating to normal and surtaxes on corporation incomes, but the taxes imposed therein are excise taxes on motor fuels, trucks, buses, tires, rubber, certain highway motor vehicles, and floor stocks.

For this reason the Chair is of the opinion that the amendment of the Senator from Arkansas does not relate to any provision in the pending bill, is not germane, and therefore is not in order under the unanimous-consent agreement. The Chair sustains the point of order.

Mr. MONRONEY. Mr. President, will the Senator from Virginia yield 2 minutes to me so that I may clear up a question with respect to taxes on aviation gasoline?

Mr. BYRD. I yield 2 minutes to the Senator from Oklahoma.

Mr. MONRONEY. As I read the report and the law, the tax on aviation gasoline will be 2 cents a gallon instead of 3 cents, as provided in the highway-user tax. Is that correct?

Mr. BYRD. That is correct. There will be a reduction of 1 cent.

Mr. MONRONEY. But there will be an effective tax of 2 cents a gallon on aircraft gasoline.

Mr. BYRD. That is what the tax is now.

Mr. MONRONEY. Yes; but it will decline on April 1, 1957, to 1½ cents under present law. So in effect the aircraft operators will be required to pay 25 percent more tax on gasoline than

the present law requires, after the expiration date of April 1, 1957.

While practically all these funds appear to be earmarked for highway construction, since aircraft operators are required to pay 2 cents a gallon on their fuel, is it the intent of the sponsors of the bill to recognize that in the subsequent construction of necessary airports aircraft operators, by paying the gasoline tax, will be entitled to some of the benefits derived from the 25 percent increase in the gasoline tax, as provided in the bill?

Mr. BYRD. That will go into a trust fund. A considerable amount of the funds is spent on the airways and on subsidies granted the airlines.

Mr. MONRONEY. From an effective standpoint, considering the large amount of gasoline now being used and which will continue to be used, the need for more and more airports is becoming apparent. Congress has been rather niggardly in providing adequate funds for airport construction.

With the bill increasing taxes 25 percent, to 2 cents, when ordinarily they would go to only a cent and a half after 1957, will consideration be given by the committee chairman to helping to set aside a part of the money, at least, to meet the ever-expanding needs for modernizing the ground facilities for aviation?

Mr. BYRD. The Senate merely continued the House action on taxes. When 1957 comes around, I hope consideration will be given to whether an adjustment should be made.

Mr. MONRONEY. So long as aircraft operators are paying considerable amounts in taxes, it is hoped that consideration will be given to the needs of modernizing the ground facilities for aviation.

Mr. BYRD. The committee will give full consideration to the problem.

Mr. MONRONEY. I thank the distinguished chairman.

The PRESIDING OFFICER. Title II is open to further amendment.

Mr. McNAMARA. Mr. President, I offer an amendment in the nature of a substitute for the bill. I am certain Senators are familiar with the text of the amendment.

The PRESIDING OFFICER. The clerk will state the amendment of the Senator from Michigan for the information of the Senate.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause and to insert in lieu thereof the text of title I of the Federal Aid Highway bill as passed by the House.

Mr. GORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Tennessee will state it.

Mr. GORE. Has not action on title I been completed?

The PRESIDING OFFICER. The amendment strikes out title I and title II.

Mr. GORE. Title I and title II?

Mr. McNAMARA. No; title I only.

Mr. GORE. Mr. President, I reserve a point of order.

Mr. McNAMARA. Mr. President, it appears that at long last we are to have a major, new Federal highway program.

I feel certain there is no doubt in the mind of any Senator as to the need for building up our sadly neglected road system. This must be done—and soon—for the primary purposes of improving present highways and building new ones to take care of motorists and industry, and also in the interests of the national-defense program.

We might have considered ourselves fortunate that we had not 1, but 2, highway bills before Congress for consideration. This was not a fortunate fact, however, when we consider the matter in the light that we had one more highway bill than was needed.

H. R. 10660, as passed by the House, was to my mind a good road bill, and the one which should have been considered by the Senate at this time. I think it was unfortunate that in committee the Senate version of a highway program was substituted for the original H. R. 10660.

Naturally, there were differences of opinion as to which of the two bills was best suited to our highway needs. I can only give my opinion, which I am sure is shared by many of my colleagues, that the original House bill is the best overall road program that has been presented in either session of the 84th Congress.

My main concern was that should these two different versions be sent to conference, the net result would be a mare's nest of road legislation, as a number of amendments have been adopted by the Senate though many of the amendments merely substituted sections of the House bill.

There may, to be sure, certain parts of the House bill open to question. But viewed in the light of the best program for all of the public, I think these are mainly small matters.

In my individual views contained in the report of the Senate Committee on Public Works, Report No. 1965, I said the original House bill presented a clear declaration of congressional intent as to long-range highway development. I stated further:

The national scope of the Interstate System must be emphasized. The House bill presents a sounder approach in that it looks toward the completion of the Interstate Highway System and apportions funds according to the needs of the States. I recognize that there may be inequities in the "need table" of the House bill, but it should be pointed out that such inequities could be eliminated when, as provided in the House bill, new reviews and estimates of need are made in 1958 and subsequent years.

There has been considerable talk about the fact that the Senate bill adds 2,500 miles to the 40,000-mile program envisioned by the House bill.

I do not think anyone is going to argue that the 2,500 miles is not needed. But the point is that at this time it does not make much difference whether the stipulated goal is 40,000 miles, 42,500 miles, or even 100,000 miles. For the next few years, the States will have their hands full building the mileage allotted to them. Then, in 3 years or so, all Congress will have to do will be to review the situation, in light of revenues, and add 2,500 miles, or more, I hope.

It strikes me, further, that the original House bill made fair compromises on a

number of important matters that could very well be made unnecessarily complicated and unfair under the Senate version of the bill.

I might point, in this respect, to the House section on public utility relocation costs, which I think is a fair approach; the House stipulated tax on heavy trucks, the Senate amendment of which is drawing heavy fire from the trucking industry; the tax exemptions for city transit systems contained in the House bill; and the prevailing wage section of the House bill.

Mr. President, a good many States are holding up their highway programs, awaiting action by the Congress. This is the season to build roads. Further delay on this bill—holding it up another month or two, as could very well happen—would have a serious effect in postponing the State programs. By adopting the original House bill, this threat would be eliminated, and we could begin immediately to build the highways we so desperately need.

I might add further, Mr. President, that heavy unemployment in some sections of our country points up the urgency of getting started with road building just as quickly as possible to help put people to work. This particular argument would be unnecessary if the great prosperity we hear so much about were as widespread as the administration would like us to believe.

Back in my State of Michigan, more than 220,000 persons are out of work right now, and a highway-construction program would be one way to cut into this great surplus of manpower and build up the economy. Most of the amendments offered yesterday and today are already in the House bill.

Therefore I urge that the Senate adopt my amendment.

Mr. GORE. Mr. President, I yield myself 2 minutes.

The pending amendment would erase all the work the Senate committee has done, and all the work the Senate has done in 2 days and nights. Technically, however, the amendment of the distinguished Senator from Michigan would wipe out titles I and II, but would substitute only another title I.

Under the circumstances, I ask that the Senate vote down the amendment.

SEVERAL SENATORS. Vote! Vote!

Mr. BEALL. Mr. President, will the Senator yield?

Mr. GORE. I yield for a question.

Mr. BEALL. Does the Senator not think that the amendment of the Senator from Michigan, adopting the House bill, would be more equitable than the Senate amendment?

Mr. GORE. I have said "No" to that question several times in the past 2 days.

Mr. BEALL. It seems to me that the Senator from Michigan has made a proposal which is more equitable for all the country.

Mr. GORE. I appreciate having the Senator's opinion.

Mr. BEALL. I thank the Senator for yielding to me.

The PRESIDING OFFICER. Does the Senator from Tennessee yield back the time remaining to him?

Mr. GORE. I yield back the time remaining to me.

The PRESIDING OFFICER. Does the Senator from Michigan yield back the time remaining to him?

Mr. McNAMARA. If no other Senator cares to speak on the amendment, I yield back the time remaining to me.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment of the Senator from Michigan [Mr. McNAMARA].

The amendment was rejected.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. I should like to have the Chair clear up a point on which the Senator from Illinois is in doubt. As I understand, this morning the Senate adopted the Knowland amendment to the text of the House bill, which provided that the determination of the prevailing wage should be made by the State authorities. Then, shortly afterward, the Senate adopted the Chavez amendment providing that the determination of wages should be made by the United States Department of Labor, and ultimately by the Secretary of Labor.

The Chavez amendment has been pretty well mauled by the Fulbright amendment, and I am not certain it is worth anything at the present moment; but I am curious as to which of the amendments, the Knowland amendment or the Chavez amendment, is in the bill before the Senate.

Mr. GORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GORE. Is it not a fact that the Senate committee bill, including the Chavez amendment, has now been substituted for title I of the House bill, which included the Knowland amendment? Therefore, the bill before the Senate embodies the Chavez amendment and the Fulbright amendment.

The PRESIDING OFFICER. The Chair will state that the whole House text will be in conference.

Mr. GORE. The bill before the Senate is the House bill as amended, with the substitution of the Senate committee bill for the provisions of the House bill.

Mr. DOUGLAS. Mr. President, I should like a ruling from the Chair on my inquiry, and I should also like to know whether, in the measure which is before the Senate, we have the Chavez amendment, or the Knowland amendment, or the Chavez amendment as amended by the Fulbright amendment.

SEVERAL SENATORS. Vote! Vote!

Mr. DOUGLAS. Mr. President, may we have a ruling by the Chair?

The PRESIDING OFFICER. Will the Senator from Illinois restate his parliamentary inquiry?

Mr. DOUGLAS. Mr. President, let me try to make a confused situation as clear as possible. Is it not true that this morning the Senate adopted the Knowland amendment?

The PRESIDING OFFICER. That is true.

Mr. DOUGLAS. Was not the Knowland amendment attached to the House bill?

The PRESIDING OFFICER. That is correct.

Mr. DOUGLAS. Later did not the Senate adopt the Chavez amendment?

The PRESIDING OFFICER. The Senate did.

Mr. DOUGLAS. Was not the Chavez amendment attached to the Senate committee bill?

The PRESIDING OFFICER. That is a correct statement.

Mr. DOUGLAS. Which of them is now before us?

The PRESIDING OFFICER. All four of them are before the Senate. [Laughter.]

The bill is open to further amendment.

Mr. SMATHERS. For the sake of the RECORD, I should like to announce that in the case of the amendment which the Senator from Oregon [Mr. MORSE] submitted for me, which amendment was withdrawn, it has been the decision of the Senator from Oregon, the Senator from Colorado, and myself that we shall not press for adoption of the amendment. Instead, we shall rely on the good judgment of the conferees on the part of the House and the conferees on the part of the Senate, and we hope they will accept the House provision on this point.

Mr. MORSE. Mr. President, I wish to add that the Senator from Florida and I have discussed the problem with the Senators who will be the conferees on the part of the Senate. They fully understand the position presented, and they are cognizant that this problem is a common one in various parts of the country. We are perfectly willing to place our confidence in the conferees to handle this matter in conference.

I recognize that at 12:10 a. m. it is not opportune to raise additional tax problems in connection with the bill. However, the tax problems are exceedingly serious ones. I am sure that most of my colleagues have received a number of communications in regard to this tax problem.

In view of the fact that the bill will go to conference, I shall rest again on my confidence in our conferees to discuss this matter in the conference to the extent they can within their jurisdiction as conferees, rather than at this late hour attempt to engage in debate on a series of amendments dealing with tax problems, because, after all, the best that could be accomplished in connection with the amendments would be to have them agreed to and taken to conference; and I think the subject matter can be discussed in conference.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, certain telegrams I have received in connection with this tax problem.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., May 29, 1956.

HON. WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

The Senate Finance Committee version of Federal highway bill, H. R. 10660, also calls

for a tax against commercial vehicles exceeding 26,000 pounds gross weight. This is unfair to an industry which hauls a substantial volume of the Nation's freight and which performs a vital service for every farmer and manufacturer, businessman, and consumer. If enacted such a tax would put a tremendous financial penalty on both common and private carriers everywhere. Studies show that heavier vehicle operators are already paying more than their share of highway construction and maintenance costs, this additional discriminatory tax would be enough to put many trucking companies out of business. I respectfully urge you to do everything in your power to bring about a Federal highway bill which is fair to all highway users and which contains no special taxes directed against commercial vehicles.

W. J. JARVIS.

OREGON, CITY, OREG.

EUGENE, OREG., May 24, 1956.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Strongly protest House and Senate version H. R. 10660. The registration fee is highly discriminatory. Fuel increases in diesel gasoline, tire, and excise taxes comprises equal share for trucking industry. My company paid 10 percent of gross earnings for highway use in 1955.

C. F. ERWERT.

EUGENE, OREG., May 24, 1956.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Strongly protest House and Senate version H. R. 10660. The registration fee is highly discriminatory. Fuel increases in diesel gasoline, tire, and excise taxes comprises equal share for trucking industry. My company paid 10 percent of gross earnings for highway use in 1955.

GEORGE W. CLARK.

Mr. SMATHERS subsequently said: Mr. President, I ask unanimous consent to have printed in the body of the RECORD, at the conclusion of the debate regarding the tax on transit companies, certain telegrams.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

MIAMI, FLA., May 24, 1956.

HON. GEORGE A. SMATHERS,
Senate Office Building,
Washington, D. C.:

Urge your assistance in restoring exemption of local transit companies from extra gas and weight taxes in Federal highway bill now pending before Senate Finance Committee, H. R. 10660, we represent Coast Cities Coaches, Inc., local bus company that does not use intercity Federal highways and extra taxes would be discriminatory and unduly burdensome.

SHUTTS, BOWEN, SIMMONS, PREVATT,
& JULIAN.
WILLIAM P. SIMMONS, Jr.

FORT LAUDERDALE, FLA., May 24, 1956.

Senator GEORGE A. SMATHERS,
Senate Finance Committee,
Washington, D. C.:

Would appreciate anything you can do to reinstate transit exemptions.

FORT LAUDERDALE TRANSIT LINES.
ORVILLE R. BLUDAU.

MIAMI, FLA., May 24, 1956.

HON. GEORGE SMATHERS,
United States Senate,
Washington, D. C.:

City transit systems do not use Federal System of Interstate Highways as covered

by H. R. 10660. This additional and unjustifiable taxation on motor fuels will adversely affect the economy of this industry, already precarious. Therefore, solicit your every effort reinstating the exemption for city transit industry.

MIAMI TRANSIT CO.,
R. D. FREEMAN.

MIAMI, FLA., May 24, 1956.

HON. GEORGE SMATHERS,
United States Senate,
Washington, D. C.:

City transit systems do not use Federal System of Interstate Highways as covered by H. R. 10660. This additional and unjustifiable taxation on motor fuels will adversely affect the economy of this industry, already precarious. Therefore, solicit your every effort reinstating the exemption for city transit industry.

MIAMI BEACH RAILWAY CO.,
WILLIAM D. PAWLEY.

PENSACOLA, FLA., May 24, 1956.

HON. GEORGE SMATHERS,
Senate Office Building,
Washington, D. C.:

We consider transit exemptions from new fuel and weight taxes are fair because most of the miles would not be on Federal highways. Any additional burden on transit increases hardship on lower income bracket people and would tend to lower downtown real estate values.

G. G. PICKETT,
Pensacola Transit.

LAKELAND, FLA., May 24, 1956.

Senator GEORGE A. SMATHERS,
Senate Office Building,
Washington, D. C.:

Respectfully urge your support in keeping additional fuel tax and weight tax exemptions in H. R. 10660. Local transit systems are generally nonusers of Federal highways. Additional tax on local transit systems at this time would cause many to have to curtail operations or close down, depriving many people of transportation. Please consider the urgency of this request.

C. L. CARTER,
General Manager, Cities Transit, Inc.

LAKELAND, FLA., May 25, 1956.

Senator GEORGE A. SMATHERS,
Senate Building, Washington, D. C.:

Omitted from yesterday's message the fact that this company employs 100 persons. We figure approximately 500 persons are dependent on our staying in business. None of the city governments where we are serving want to run a bus operation. Additional taxes would be detrimental to us. An additional penny on fuel alone would double our loss of last year. We are struggling to exist and hope we will not be taxed out of business. We are providing service to cities with populations of 175,000. Urge retaining exemptions in H. R. 10660.

C. L. CARTER,
General Manager, Cities Transit, Inc.

MIAMI, FLA., May 24, 1956.

HON. GEORGE A. SMATHERS,
United States Senator,
Washington, D. C.:

I understand Senate Finance Committee has removed transit exemption from fuel and weight taxes in H. R. 10660, new highway legislation. For several years transit companies all over the country have found themselves slowly dying due to loss of passengers, higher costs, and higher taxes. We simply cannot stand another round of tax increases. City and suburban transit operators are basically nonusers of Federal highways and should be specifically exempted from these taxes. I sincerely urge you to reinstate the exemption

previously given transit companies in this bill.

L. WILLIAMS COAST CITIES COACHES, INC.
HIALEAH, FLA.

MR. LAIRD. Mr. President, the Senator from South Dakota [Mr. CASE] has proposed an amendment to direct the Secretary of Commerce to make a study of the designation of routes included in the National System of Interstate Highways and determine whether those routes as designated best serve the purposes of the system under present conditions and those likely to prevail in 1974. The Secretary would make a report to the Congress not later than January 15, 1958, with his recommendation for allocation or reallocation of the mileage of the authorized system. There is one proviso, namely, that no presently designated portion of the system shall be modified without the concurrence of the highway authority of the State or States concerned.

In my opinion, Mr. President, an overall study is highly desirable. Personally, I should like to have such a study completed before 1958. In fact, I hope the next Congress will make a thorough review of the system. This will enable such States as West Virginia to present facts relating to the advisability of constructing additional links to perfect the system. One such link, highly needed, in my opinion, is a direct route from the Great Lakes to Florida.

Taking all essential factors into consideration, West Virginia is placed in a strategic location in any proposed highway plan which would include a direct route from the Great Lakes area to Florida.

The voluminous traffic potential arising in the large cities of Cleveland, Pittsburgh, Akron, Canton, and even Buffalo, N. Y., which would have access to this route would lend credence to its feasibility.

It is interesting to note that north-south routes are provided on the present Interstate System, east and west of the Appalachian Mountains. However, there remains a wide corridor through these mountains which is currently void of any interstate north-south route. This necessitates the heavy Great Lakes traffic to bypass this natural southeast traffic movement which leads direct to the Carolinas, Georgia, and Florida.

In West Virginia our general feeling about the present Federal Interstate System is that the mileage assigned to West Virginia is woefully inadequate when comparison is made with the mileage provided other States. West Virginia's current interstate allotment is 225.03 miles. This situation no doubt is caused by the fact that no other State in the Union is faced with such a continual succession of difficult and costly location problems.

In West Virginia steep grades, sharp curves, and narrow roadways have become common as a result of trying to avoid high cut and fill costs on roads in this precipitous, rocky terrain. Cities and towns have been cramped into valleys with all too little space allotted for streets. West Virginia, in my opinion, should not be penalized in its highway needs which are clearly indicated by the

above facts. Because of our peculiar location, resulting in high construction and right-of-way costs is no sound reason for reducing our interstate mileage.

In conclusion I wish to reemphasize the importance of an early study of the Interstate System. I am convinced that such a study will strongly support the importance of a route from the Great Lakes to Florida. Officials of my State of West Virginia stand ready to come to Washington at any time to present to the Congress the data they have compiled regarding the urgent need for such a route.

I realize there is not time during this session of Congress to make this study and it would not be possible or practical to try and rewrite the route system on the floor of the Senate. But the importance of this matter is so great that I urge an early study so that the next Congress may take appropriate action to include the route from the Great Lakes to Florida as well as any other routes that may be needed to provide the best possible Interstate System.

THE PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

MR. DOUGLAS. Mr. President, do I correctly understand that we are about to proceed to the third reading of the bill?

THE PRESIDING OFFICER. Yes; if there are no further amendments to be proposed.

MR. DOUGLAS. Which bill?

THE PRESIDING OFFICER. House bill 10660, as amended by the Senate.

MR. DOUGLAS. I thank the Chair.

MR. NEUBERGER. Mr. President a parliamentary inquiry.

THE PRESIDING OFFICER. The Senator from Oregon will state it.

MR. NEUBERGER. I did not understand that it was stated that all the different versions of the Davis-Bacon amendments were before us simultaneously. Will the Chair please explain on which particular version of the Davis-Bacon amendment we are to vote?

THE PRESIDING OFFICER. The question will be on the engrossment of the amendments and the third reading of the bill. Every amendment adopted by the Senate and the House version of the bill will be in the conference.

MR. NEUBERGER. Are we about to vote on every version of the Davis-Bacon amendment?

MR. KERR. Mr. President—

THE PRESIDING OFFICER. The Chair has not completed his answer to the inquiry of the Senator from Oregon. Does the Senator from Oregon wish to restate his inquiry?

MR. NEUBERGER. I should like to know on which particular version of the Davis-Bacon prevailing wage amendment we shall be passing upon either favorably or unfavorably when the vote is taken.

THE PRESIDING OFFICER. The question will be on the engrossment of the amendments—including the Chavez amendment—and the third reading of the bill.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. When the vote is taken, it will be taken on the engrossment of the Chavez amendment, as well as the other amendments adopted by the Senate; and, of course, so far as the Bacon-Davis provisions are concerned, the vote will be on the Chavez amendment with the modification of the Senator from Arkansas [Mr. FULBRIGHT] in regard to an appeal to the administrative and judicial agencies. Is not that correct?

The PRESIDING OFFICER. The statement of the Senator from California is correct.

Mr. HOLLAND. And, Mr. President, with the further modification suggested by the Senator from South Dakota and accepted by the Senator from New Mexico; is not that correct?

The PRESIDING OFFICER. The Chair will state that the vote will be taken on the engrossment of every amendment which has been adopted by the Senate.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 10660) was passed.

Mr. GORE. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House, and that the Chair appoint from both the Senate Finance Committee and the Senate Public Works Committee the conferees on the part of the Senate to confer with the conferees from the corresponding two committees of the House of Representatives.

The motion was agreed to; and the Presiding Officer appointed Mr. CHAVEZ, Mr. KERR, Mr. GORE, Mr. McNAMARA, Mr. MARTIN of Pennsylvania, Mr. CASE of South Dakota, and Mr. BUSH conferees on the part of the Senate on title I; and Mr. BYRD, Mr. GEORGE, Mr. KERR, Mr. MILIKIN, and Mr. MARTIN of Pennsylvania conferees on the part of the Senate on title II.

Mr. CHAVEZ. Mr. President, I ask unanimous consent that the bill as amended be printed with the Senate amendments numbered.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL BILL INTRODUCED

Mr. SPARKMAN (by request), by unanimous consent, introduced a bill (S. 3963) for the relief of Jacqueline Raymond Gosse, which was read twice by its title, and referred to the Committee on the Judiciary.

NOTICE OF HEARINGS ON VARIOUS CIVIL RIGHTS PROPOSALS BY COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that the Committee will resume hearings on the various civil-rights proposals beginning at 2:30 p. m., Friday, June 1, 1956, in the committee room, room 424, Senate Office Building.

LEGISLATIVE PROGRAM

Mr. SMATHERS. Mr. President, on behalf of the majority leader, I should like to announce for the information of the Senate that when the Senate takes a recess tonight, it will be until Thursday, at noon, at which time the Senate will resume the consideration of the narcotics bill, Senate bill 3760, the unfinished business. Thereafter, the Senate will consider the Department of Commerce appropriation bill, which I understand is ready.

I also announce that there will be considered certain private bills which already have been cleared in a group by the respective majority and minority calendar committees. I ask unanimous consent to have printed in the body of the RECORD the list of the private bills which will be considered on Thursday.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Calendar No. 1833, H. R. 1866, a bill for the relief of Mr. and Mrs. Compton.

Calendar No. 1848, H. R. 1671, a bill for the relief of Clement Sproule.

Calendar No. 1916, H. R. 1913, a bill for the relief of Anna Doherty.

Calendar No. 1931, S. 2048, for the relief of certain former employees of the Inland Waterways Corporation.

Calendar No. 2066, H. R. 22160, authorizing the retention in service of certain disabled commissioned officers.

Calendar No. 2067, H. R. 4229, providing running mates for certain staff corps officers in the Navy.

Calendar No. 2068, H. R. 4437, dealing with the withholding for State employee retirement systems from compensation of certain civilian employees of the National Guard.

Calendar No. 2069, H. R. 4704, providing for examinations preliminary to promotion to officer of the Naval Service.

Calendar No. 2070, H. R. 5268, authorizing the payment of mileage allowances to certain military personnel.

Calendar Nos. 2071 and 2072, S. 2771 and 2772, to authorize lending of certain military equipment to the Boy Scouts of America.

Calendar No. 2073, H. R. 2106, providing that enlistment contracts of members of the Armed Forces shall not terminate by reason of appointment to the service academies.

Calendar No. 2074, H. R. 4363, authorizing the conveyance of certain property to the State of New Mexico.

Calendar No. 2075, H. R. 8477, amending the laws governing the distribution of women officers grades in the Armed Forces.

Calendar No. 2078, H. R. 7679, conveying certain land to the city of Muskogee, Okla.

Calendar No. 2079, H. R. 8490, conveying certain land to the city of Bonham, Tex.

Calendar No. 2080, H. R. 8674, conveying certain property to the city of Biloxi, Miss.

Calendar No. 2081, H. R. 9358, directing the issuance of a deed for certain land to the city of Cheyenne, Wyo.

Calendar No. 2082, H. R. 10251, conveying certain land to the city of Grand Junction, Colo.

Calendar No. 2083, H. R. 8123, conveying certain property to the city of Roseburg, Oreg.

NATIONAL RECREATION ASSOCIATION AWARD TO ALLEN E. MORRELL, OF BRUNSWICK, MAINE

Mrs. SMITH of Maine. Mr. President, a special honor has been awarded to one of Maine's outstanding citizens—Allen E. Morrell, of Brunswick, Maine—for his leadership in the establishment of a fully municipal year-round program of recreation under trained leadership in Brunswick. As chairman of many recreation committees, he has spearheaded practically every organized step toward the ultimate creation of a municipal recreation program.

For his outstanding leadership, he has been awarded a special certificate of appreciation and letter of citation by the National Recreation Association.

I salute this distinguished graduate of Bowdoin for this well-deserved honor, as I am sure all other Maine citizens do. He carries on the great record he made at Bowdoin as a star in football, baseball, and hockey.

AWARD OF AMERICAN MERCHANT MARINE ACHIEVEMENT TROPHY TO SENATOR BUTLER, OF MARYLAND

Mr. BEALL. Mr. President, unfortunately I was not in Washington on last Thursday, when it was announced that my colleague, the distinguished Senator from Maryland, JOHN MARSHALL BUTLER, had been named recipient of the American Legion's merchant marine achievement trophy.

Through close association with JOHN BUTLER, I believe I can attest to his great leadership and foresight in behalf of the American merchant marine. Though belatedly, I should like to join with the other Senators who have paid tribute to JOHN BUTLER on this outstanding achievement, and to ask, Mr. President, that an editorial entitled "Due Reward," from the May 25, 1956, issue of the Baltimore News-Post, be printed in the body of the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

DUE REWARD

Senator JOHN MARSHALL BUTLER has been named recipient of the American merchant marine achievement trophy, an award given by the Robert L. Hague Merchant Marine Industries Post of the American Legion. The honor is not misplaced.

In his promotion of our merchant marine, a cause which was sorely in need of support, Senator BUTLER has been zealous. He realized and emphasized the need of keeping up our ships and of maintaining at least a nucleus of organization in our shipyards, Baltimore's among them.

He recognized that we need ships of our own in time of peace, and that, should a third world war ensue, we shall need them urgently and in multitude; and that hence our shipyards should not be permitted to

languish, starved by lack of orders, to less than a skeleton force.

He saw our American merchant marine as our fourth arm of national defense.

Senator BUTLER deserves recognition. He received what is his due.

AMENDMENT OF COMMUNICATIONS ACT OF 1934, RELATING TO USE OF BROADCASTING STATIONS—HOLDING OF BILL AT DESK FOR COSPONSORS

Mr. HUMPHREY. Mr. President, earlier today I introduced a bill (S. 3962) to amend the Communications Act of 1934 with respect to the use of broadcasting stations by presidential, vice presidential, and congressional candidates. I ask unanimous consent that the bill lie on the desk, to enable other Senators to join in sponsoring it.

The PRESIDING OFFICER. For how long a period of time does the Senator from Minnesota request that that be done?

Mr. HUMPHREY. Until Tuesday of next week.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONTROL OF NARCOTIC DRUGS

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 3760) to provide for a more effective control of narcotic drugs, and for other related purposes.

Mr. MORSE. Mr. President, I should like to ask a question of the Senator from Florida [Mr. SMATHERS], the acting majority leader. Do I correctly understand that the narcotics bill will be the order of business on Thursday? Also, is it the intention to dispose of that bill on Thursday afternoon?

Mr. SMATHERS. I may say to the Senator from Oregon that that bill is the unfinished business, and its consideration will be resumed on Thursday. However, inasmuch as I understand that the Department of Commerce appropriation bill is ready for consideration, when that bill is considered, of course the narcotics bill will again be laid aside.

Mr. MORSE. In order that no one may say that the Senator from Oregon did not give due notice of the concern many of us feel in regard to the narcotics bill, a considerable number of us think it is one of the most major pieces of legislation which could possibly confront the Senate at this session. We believe that the wiretapping feature of it goes to the very roots of personal liberty in America. We believe that it raises a great historic issue. We are satisfied that it calls for the most careful and deliberate consideration by this great deliberative body. We trust that the Senate leadership will plan ample time for its careful consideration, because we think it is a matter of which the country should be fully aware. We do not believe that such legislation should be enacted until our people as a whole are made aware of the precedential features of the wiretapping section of the bill. We think that every man

and women in America ought to know that under that section of the bill, if it should ever become law, their telephones could be tapped, and all the conversation which might take place over those wires could come into the possession of law-enforcement officials.

I wish to make it very clear that I think the narcotics traffic needs to be brought under strict regulation. I say this to the acting majority leader because since my speech of last Friday certain commentators who obviously, from their writings, show gross ignorance of what I said on the floor of the Senate, and clearly never took the time to read what I said on the floor of the Senate before they wrote their articles, sought to leave the impression that in some way, somehow, the senior Senator from Oregon seems to favor the illicit drug traffic. I certainly do not.

However, I will tell the Senate what I do favor. I favor the protection of the privacy of free men and women in America. I do not propose on Thursday to have the narcotics bill passed in any short period of time. I want it understood that I am not alone in my viewpoint that when we resume consideration of the narcotics bill and reach the section on wiretapping, we shall be dealing with a subject which goes to the freedom of free people. I do not propose to have that bill pass without a thorough discussion of the entire question of wiretapping, no matter how many days may be required fully to inform the American people of what I consider to be a serious threat to their liberties.

Mr. KNOWLAND. Mr. President, I agree with the distinguished Senator from Oregon that a bill of this nature should have adequate discussion. I certainly hope it will have. However, I think the conscience of the Nation and the conscience of the Senate are not unmindful that there is no greater crime than the sale of narcotics to any person, for that matter, but particularly to youngsters and juveniles; and there is no crime on the statute books—not even excluding murder or kidnapping—which to my mind is a greater crime than inducing the narcotics habit in youngsters of school age. I think the Government should take every action necessary to make sure that this crime of crimes is adequately curtailed.

Mr. MORSE. Mr. President, let me say that the Senator from California has not uttered a syllable in his last remarks with which I am not in complete agreement. However, I call attention to the fact that at the very foundation of our great Republic Patrick Henry was careful to point out to the Founding Fathers that not even the crime of treason justifies our jeopardizing and destroying the individual liberty of free men and women by the adoption of a procedure which would violate their personal freedom.

I happen to believe that we can check the illicit traffic in drugs, and must check it, without adopting a procedure which would endanger the freedom and privacy of free men and women.

Mr. SMATHERS. Mr. President, I feel certain that the Senator from Oregon will have ample time to go into a full and thorough discussion of his views

on this particular proposal. I am sure there will be no effort on the part of anyone to curtail that discussion in any way.

Mr. MORSE. I thank the Senator.

RECESS TO THURSDAY

Mr. SMATHERS. If there are no further remarks or requests, I move that the Senate stand in recess until 12 o'clock noon on Thursday next.

The motion was agreed to; and at 12 o'clock and 26 minutes a. m., Wednesday, May 30, 1956, the Senate took a recess until Thursday, May 31, 1956, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 29 (legislative day of May 24), 1956:

DIPLOMATIC AND FOREIGN SERVICE

Ellis O. Briggs, of Maine, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil.

Theodor C. Achilles, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Peru.

Walter C. Dowling, of Georgia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Korea.

J. Graham Parsons, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Laos.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 29, 1956

The House met at 12 o'clock noon. The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, in whom we live and move and have our being, we praise Thee for the gift of life, its wonder and mystery, its beauty and glory, its joys and pleasures, its fellowships and friendships, and its opportunities for service.

We beseech Thee to inspire and sustain us with a sense of Thy divine presence and power as we again assemble in this Chamber to discharge the duties and responsibilities of our high vocation.

May we perform every task faithfully and diligently and whenever we fail or falter, through ignorance or weakness, may Thy fatherly wisdom correct us and Thine infinite mercy forgive us.

Grant that our beloved Speaker and the members of his bereaved family may continue to be blessed with the consolation and certainty of Thy grace as they seek to carry on courageously.

We thank Thee for their humble and confident spirit which is not murmuring or complaining but yielding itself with due resignation and patience unto all Thy righteous dealings and the wise dispensations of Thy divine providence.

To Thy name we ascribe all the glory. Amen.

The Journal of the proceedings of yesterday was read and approved.